

# NEBRASKA RESOURCES DEVELOPMENT FUND



INCLUDING  
RULES AND REGULATIONS  
NEBRASKA STATUTES

AS REVISED

JANUARY 2000

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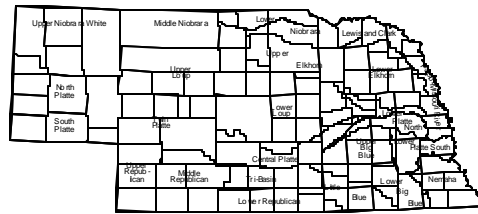
## **FOREWORD**

These Guidelines have been developed to assist project sponsors with the preparation and submission of information necessary to apply for state funding assistance through the Nebraska Resources Development Fund. The requirements relating to technical, economic, and financial feasibility and environmental acceptability are explained, and guidance regarding how to address these requirements is provided.

The Legislature displayed great vision when it established this state funding program in 1974. I trust these Guidelines will be of value to you in your application for Nebraska Resources Development Fund assistance to develop and wisely use the water and land resources of our state.

---

Dayle E. Williamson  
Director of Natural Resources



## BACKGROUND AND INTRODUCTION

### THE RESOURCES DEVELOPMENT FUND

The Nebraska Resources Development Fund (NRDF) was established in 1974 to provide state financial assistance for the development and wise use of Nebraska's water and related land resources. The NRDF can be used to provide grants and/or loans to local political subdivisions and agencies of the state, or can be used by the Natural Resources Commission to acquire an interest in projects in the name of the state. The fund is administered jointly by the Natural Resources Commission and the Director of Natural Resources (Director).

The Director is responsible for (1) conducting project reviews, (2) making recommendation to the Commission regarding project and program eligibility as well as the type and level of funding assistance, and (3) administering the program after the Commission has approved a project for funding assistance. To carry out these responsibilities, the rules and regulations, evaluation standards, and specifications included in these guidelines for implementation have been adopted.

After the Director has reviewed an application and feasibility report, made recommendations regarding project eligibility and funding, and referred a project to the Commission, the Commission with some limitations, can accept, reject, or modify the Director's recommendation. The utilization of assessment criteria to provide available funds to eligible projects is the sole responsibility of the Commission. Following the award of funds to a specified project, the Commission must enter into an agreement with the project sponsor to ensure that the state investment is protected. The Director then administers the grants and/or loans in accordance with applicable state law, rules and regulations, project contract provisions, and any specific Commission action.

Eligible project purposes, as stated in the Nebraska Resources Development Fund Act, include pollution abatement, reduction of flood damages, reservation of lands for resource development projects, provision of public irrigation facilities, preservation and development of fish and wildlife resources, protection and improvement of public lands, provision of public outdoor recreation lands and facilities, provision and preservation of the waters of Nebraska for all beneficial uses, including domestic, agricultural, manufacturing uses, conservation of land resources, and protection of the health, safety, and general welfare of the people of Nebraska.

In addition to assisting with locally planned projects, the NRDF can be used to assist sponsors with the non-federal costs of projects planned and principally funded by federal agencies. The Small Watersheds Flood Control Fund, administered by the Natural Resources Commission, can be used by project sponsors to acquire land rights in flood control projects with other costs shared through the NRDF.

Every project must have a sponsoring organization. The sponsoring organization must be a state agency or political subdivision of the state which has been given the authority to develop the state's water and related land resources.

The NRDF was established with the intent that it be used only after possible funding through other sources has been explored. Therefore, the NRDF is not to be utilized for projects that can be funded by another program that has been established specifically for that purpose. The NRDF is to be used for projects that have a total cost of \$17,000,000 or less (this figure is revised annually based on the U.S. Department of Commerce cost index). Financial assistance can be in the form of a grant for up to 75% of the sponsor's project costs or in the form of a loan or grant/loan combination for up to 90% of the sponsor's project costs.

## POLICY STATEMENTS

The Natural Resources Commission has adopted six policy statements that expand on the NRDF rules and regulations. The policy statements are included in *Section IV*.

**Policy Statement V**, adopted in 1990 and reaffirmed in 1997, calls for the Commission to be briefed on a project at the first meeting following receipt of the Director's recommendations regarding project eligibility and the type and level of state funding assistance. This policy statement also provides for Commission action at the second meeting following receipt of the Director's recommendation.

**Policy Statement VII**, adopted in 1987, and revised in 1997, provides guidance regarding how NRDF cost-share rates are determined. It discusses various factors that can be considered and directs Commission involvement during the project review process.

**Policy Statement VIII** was adopted in 1988 and revised in 1997. It requires a minimum level of adequately treated land in the drainage area above impoundments before state funds can be used for land rights acquisition or construction. Except in instances, where in the judgment of the Commission technical considerations such as soil type, size of drainage area, uses of the reservoir, or other considerations support a lesser standard, the minimum level of adequately treated land will be 75 percent.

Two policy statements that were originally adopted by an Advisory Board (no longer in existence) were revised or reaffirmed by the Commission in 1997. They are as follows:

**Policy Statement IX** provides guidance relating to whether an allocation should be made in the form of a grant or loan. It also states that an allocation will not be recommended if alternative source(s) of funds are available.

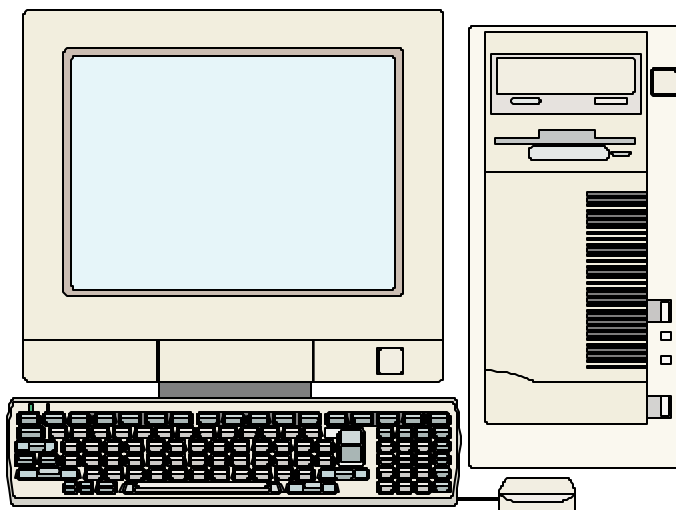
**Policy Statement X** specifies conditions for reimbursement of costs incurred by a project sponsor prior to the Commission declaring the project eligible for funding. Submission of a project proposal serves to generally make such costs eligible for reimbursement.

**Policy Statement XI** was adopted in 1991 and reaffirmed in 1997. It provides guidance regarding project cost overruns incurred during project development.

## APPLICATION PROCESS FOR SMALL PROJECTS

Applying for NRDF assistance is normally a two-step process consisting of a project proposal followed by an application and feasibility report. These Guidelines have been prepared with all types of projects in mind. However, certain requirements have been waived for small projects (those that have a total cost of \$150,000 or less). Those requirements are:

- (a) The application may include the cost to the applicant of the feasibility report as a portion of the project cost, even if no project proposal has been submitted.
- (b) The requirement of a public hearing prior to submission of the application and feasibility report is waived.
- (c) If the project's technical aspects are simple and the project proposal is adequate, the requirement for a detailed technical section of the feasibility report may be waived by the Director.
- (d) The economic feasibility requirement that each project's purpose in a multi-purpose project must provide benefits equal to or greater than its separable or specific cost is waived.
- (e) The economic feasibility requirement that there must be no known means of accomplishing the same purpose or purposes more economically is waived.



## **SECTION ONE**

### **GENERAL INFORMATION**

#### **A. OBJECTIVE:**

The objective of the NRDF is to fulfill the public interest of the state by financially assisting projects designed for the development, preservation, and management of Nebraska's water and related land resources.

#### **B. PROJECT SPONSORS:**

Any state agency or political subdivision of the State of Nebraska that possesses the necessary authority for the development, administration, operation and maintenance of the state's land and water resources is eligible to receive assistance from the NRDF.

#### **C. ELIGIBLE PROJECTS:**

The NRDF may be utilized by a sponsor to

- (a) participate in locally-sponsored projects;
- (b) participate in projects sponsored or financially assisted by entities of the federal government; and,
- (c) finance state-sponsored projects. Types of projects eligible for funding are listed in the rules and regulations, Chapter 1, Section 004.

#### **D. TYPES OF ASSISTANCE:**

Eligible applicants for financial assistance from the NRDF may receive assistance in the form of grants or loans or through the direct acquisition by the state of interests in eligible projects. The form of assistance which may be allocated to a project is to be determined by the criteria presented in Chapter 1, Sections 003, 005, and 006 of the Rules and Regulations.

#### **E. PERIOD OF ANALYSIS:**

The period used for analysis will be 50 years or the life of the project, whichever is less.

#### **F. APPLICATION PROCEDURE:**

A two-phase application procedure is recommended. This consists of a Project Proposal (Phase I) followed by an Application including a Feasibility Report (Phase II). The project proposal allows the Director and the Commission to make a preliminary evaluation of the proposed project.

Following review of the project proposal, the Director and Commission provide specific guidance to assist the sponsor in its preparation of the application and feasibility report. If, and only if, a project proposal is submitted, the cost of the feasibility report may be included as a portion of the project cost provided the total cost of the project is over \$150,000.

Figure 1 shows the steps generally involved in the application process.

#### **G. FILING FEES:**

No filing fees will be charged. All project proposals (25 copies) and applications (20 copies) are to be filed at the principal office of the Commission in Lincoln.

#### **H. APPLICATION AND FEASIBILITY REPORT:**

Prior to submission of the Application and Feasibility Report, the applicant is required to hold a public hearing as specified in Chapter 2, Section 008, Rules and Regulations. When assistance is requested for participation in a federal project, the federally prepared plan of work or similar report including engineering, economics, and environmental impact sections can be submitted for the technical, economic, and environmental requirements in a NRDF application. The Director does, however, reserve the right to reject all or a portion of any such plan of work, or similar report, on the grounds that the information provided therein is insufficient or inadequate for full evaluation of the proposed project's eligibility for NRDF assistance.

#### **I. METHOD OF PAYMENT:**

Project sponsors will submit copies of bills for work completed on the project. Included with those bills will be a copy of the sponsor's canceled check for payment of each bill. The rate of payment will be in accordance with the amount and type of funds allocated to the project.

#### **J. PROJECT ASSESSMENT:**

Whenever funds are inadequate to meet the annual funding requests of all approved projects, projects will be subject to an annual priority assessment. Funding will be contingent upon that process, which will normally be carried out at the April Commission meeting.

#### **K. OTHER PLAN CONSIDERATION:**

To be consistent with Chapter 3, Section 004 of the Rules and Regulations, it is the sponsor's responsibility to institute any state agency review of the project required by R.R.S. §84-135. The review process is to be initiated by contacting the Policy Research Office for information.

Project sponsors are required to secure land rights for their project. They are also required to secure necessary permits from the appropriate state and federal agencies. Plans and specifications for project construction are to be approved by the Natural Resources Commission and, in some cases, by the Department of Water Resources prior to bid letting. This allows for any necessary additions or changes to be incorporated into the plans and specifications before bids are solicited.



## **SECTION TWO**

### **PREPARATION OF PROJECT PROPOSALS**

Chapter 2, Sections 004, 005, and 006 of the NRDF Rules and Regulations on pages \_\_\_\_-\_\_\_\_ of these Guidelines deal with the required form and content of project proposals.

**1. PROPOSED PROJECT NAME:**

Whatever the sponsor deems appropriate, preferably the name of the particular stream, watershed, etc.

**2. NAME AND ADDRESS OF APPLICANT:**

This is the name and address of the state agency(ies) or political subdivision(s) applying for financial assistance under the Act.

**3. APPLICANT'S AUTHORIZED REPRESENTATIVE:**

The applying agency(ies) or political subdivision(s) is(are) to designate one individual who will be responsible for all correspondence relative to the project. Said individual will need to be empowered to sign such correspondence for the agency(ies) or political subdivision(s)

**4. TYPES OF PROJECT:**

Flood control, recreation, irrigation facility rehabilitation, etc.

**5. DESCRIPTION AND LOCATION OF PROPOSED PROJECT:**

Describe the property to be acquired or developed, the project's major features, and its location. This may be continued on a separate sheet. Inclusion of a map or maps is recommended.

**6. PRIMARY PURPOSE OF PROPOSED PROJECT:**

Briefly set forth and explain the proposed purpose for which project benefits are to be claimed; may be continued on separate sheet.

**7. OTHER PURPOSES OF PROPOSED PROJECT:**

Secondary purposes of the project are to be listed and explained to demonstrate the additional aspects of the proposed project. This may be continued on separate sheet. Include in a separate list those purposes that would be served but for which economic benefits will not be claimed.



8. **STATEMENT OF NEED AND URGENCY:**

Why is project needed? Is prompt action essential? If so, why?

9. **ANTICIPATED FUNDS OR OTHER ASSISTANCE AVAILABLE FROM OTHER SOURCES:**

A list of assistance from other agencies regarding project design, planning, etc., that will be contributed as either in-kind service or funds to aid in design, planning, construction, etc., is to be included herein.

10. **OTHER FUNDING SOUGHT AND STATUS OF REQUEST(S):**

Since the NRDF is to be utilized as the fund of last resort, it is essential that the applicant verify that all other potential sources have been explored and report on the status of each request.

11. **APPLICANT'S MOST RECENT FINANCIAL STATEMENT OR BUDGET DOCUMENT:**

This will be an attachment to the form and may be in the format normally used by the political subdivision. Only one copy of the project proposal needs to include this statement/document.

12. **TYPE AND APPROXIMATE AMOUNT OF STATE ASSISTANCE REQUESTED FROM NRDF:**

Self-explanatory, but the applicant is advised that the Fund can only contribute up to 75% of the applicant's cost of a project in the form of a grant and up to 90% of the applicant's cost of a project in the form of a loan or grant/loan combination.

13. **AMOUNT AND TYPE OF OTHER FUNDS TO BE UTILIZED:**

Indicate in appropriate blanks the amounts of those sources of funds, for example:

Federal:	<u>\$200,000</u>
Other State	<u>\$100,000</u>
Local:	<u>\$300,000</u>
Total Project Cost:	<u>\$600,000</u>

In this example, item 12 would be \$225,000 if a 75% grant was requested.

14. **ESTIMATED PROJECT COSTS:**

Although a project in the proposal stage is not thoroughly defined, the following cost information is to be included (but not necessarily limited to):

a. Feasibility Study:	\$ _____
b. Engineering/Design	\$ _____
c. Capital Construction:	\$ _____
1. Land Rights	\$ _____
2. Construction	\$ _____
d. Annual Operation, Maintenance, and Replacement	\$ _____

15. **EXPECTED BENEFITS FROM THE PROJECT:**

Describe anticipated project benefits including estimates in dollars, if applicable.

16. **ESTIMATED SCHEDULE OF PROJECT DEVELOPMENT:**

The work that is anticipated to be accomplished on an annual basis (preferably each fiscal year) should be summarized. For example:

Fiscal Year 2000	–	Prepare Project Application and Feasibility Report
Fiscal Year 2001	–	Final Design
Fiscal Year 2002	–	Land Acquisition
Fiscal Year 2003	–	Project Construction, Phase I
Fiscal Year 2004	–	Project Construction, Phase II

17. **DISCUSSION OF PROBABLE ENVIRONMENTAL EFFECTS:**

Anticipated or known environmental impacts should be discussed in general terms. If the sponsor has communicated or consulted with the Game and Parks Commission regarding threatened and endangered species, applicable correspondence should be included.

18. **DISCUSSION OF ALTERNATIVES:**

Briefly list and discuss the alternatives that could accomplish the purpose(s) of the project.

19. **LIABILITY INSURANCE AND BONDING:**

Indicate whether liability insurance and/or contractor bonding will be required regarding the proposed project.

20. **ACKNOWLEDGEMENT:**

This statement is included for two reasons. The first is to ensure that the applicant has considered other plans and programs of the state to avoid conflict with them. The second is to ensure the Governing Body has authorized the project.

<b>Nebraska Department of Natural Resources Nebraska Resources Development Fund PROJECT PROPOSAL</b>	<b>1. PROPOSED PROJECT NAME:</b>		<b>NRC/NRDF Form 01 January 2001</b>																																																								
<b>MAIL OR DELIVER TO:</b> Administrative Coordinator Nebraska Resources Development Fund Department of Natural Resources 4 <sup>th</sup> Floor – State Office Building 301 Centennial Mall South P.O. Box 94676 Lincoln, Nebraska 68509-4676	<b>2. Name &amp; Address of Applicant:</b>	<b>3. Applicant's Authorized Representative :</b>																																																									
<b>4. TYPE OF PROJECT:</b>  <table border="0" style="width: 100%;"> <tr> <td style="width: 45%;"><u>Structural</u></td> <td style="width: 5%; text-align: center;">[ ]</td> <td style="width: 45%;"><u>Non-Structural</u></td> <td style="width: 5%; text-align: center;">[ ]</td> </tr> <tr> <td>Flood Control</td> <td style="text-align: center;">[ ]</td> <td>Flood Damage Reduction</td> <td style="text-align: center;">[ ]</td> </tr> <tr> <td>Flood Damage Reduction</td> <td style="text-align: center;">[ ]</td> <td>Fish &amp; Wildlife Enhancement &amp; Preservation</td> <td style="text-align: center;">[ ]</td> </tr> <tr> <td>Pollution abatement</td> <td style="text-align: center;">[ ]</td> <td>Outdoor Recreation</td> <td style="text-align: center;">[ ]</td> </tr> <tr> <td>Fish &amp; Wildlife Enhancement &amp; Preservation</td> <td style="text-align: center;">[ ]</td> <td>Reservation of land for Future Project</td> <td style="text-align: center;">[ ]</td> </tr> <tr> <td>Outdoor Recreation</td> <td style="text-align: center;">[ ]</td> <td>Other: (Specify) _____</td> <td style="text-align: center;">[ ]</td> </tr> <tr> <td>Irrigation Development</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Irrigation Rehabilitation</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Groundwater Recharge</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Water Supply</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Stream Bank Stabilization</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Stream Flow Augmentation</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Erosion &amp; Sediment Control</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> <tr> <td>Other: (Specify)</td> <td style="text-align: center;">[ ]</td> <td>_____</td> <td></td> </tr> </table>				<u>Structural</u>	[ ]	<u>Non-Structural</u>	[ ]	Flood Control	[ ]	Flood Damage Reduction	[ ]	Flood Damage Reduction	[ ]	Fish & Wildlife Enhancement & Preservation	[ ]	Pollution abatement	[ ]	Outdoor Recreation	[ ]	Fish & Wildlife Enhancement & Preservation	[ ]	Reservation of land for Future Project	[ ]	Outdoor Recreation	[ ]	Other: (Specify) _____	[ ]	Irrigation Development	[ ]	_____		Irrigation Rehabilitation	[ ]	_____		Groundwater Recharge	[ ]	_____		Water Supply	[ ]	_____		Stream Bank Stabilization	[ ]	_____		Stream Flow Augmentation	[ ]	_____		Erosion & Sediment Control	[ ]	_____		Other: (Specify)	[ ]	_____	
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<b>11. APPLICANT'S MOST RECENT FINANCIAL STATEMENT OR BUDGET DOCUMENT</b> (ATTACH) [ ]  Fiscal Year 19__ - 19__																																																											

**12. TYPE AND APPROXIMATE AMOUNT OF STATE ASSISTANCE REQUESTED FROM NRDF:**

Grant \$ \_\_\_\_\_

Loan \$ \_\_\_\_\_ Total: \$ \_\_\_\_\_

**13. AMOUNT AND TYPE OF OTHER FUNDS TO BE UTILIZED:**

Federal \$ \_\_\_\_\_ Total Project Cost:

Other State \$ \_\_\_\_\_

Local \$ \_\_\_\_\_ \$ \_\_\_\_\_

**14. ESTIMATED PROJECT COSTS (CONTINUE ON SEPARATE SHEET, IF NECESSARY):**

**15. EXPECTED PROJECT BENEFITS (CONTINUE ON SEPARATE SHEET, IF NECESSARY):**

**16. ESTIMATED SCHEDULE OF PROJECT DEVELOPMENT (CONTINUE ON SEPARATE SHEET, IF NECESSARY):**

**17. DISCUSSION OF PROBABLE ENVIRONMENTAL EFFECTS (CONTINUE ON SEPARATE SHEET, IF NECESSARY):**

**18. DISCUSSION OF ALTERNATIVES (CONTINUE ON SEPARATE SHEET, IF NECESSARY):**

**19. LIABILITY INSURANCE AND BONDING (CONTINUE ON SEPARATE SHEET, IF NECESSARY):**

**20. ACKNOWLEDGEMENT:** I hereby attest to the fact that the above project considers other plans and programs of the state and that the data contained herein are true and correct to the best of my knowledge and belief and that the filing of the Project Proposal has been duly authorized by the Government Body of the applicant.

Authorized Representative:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (*Print or Type*)

\_\_\_\_\_  
Signature (*Sign*)



## **SECTION THREE**

### **PREPARATION OF PROJECT APPLICATIONS AND FEASIBILITY REPORTS / WITH APPENDICES**

Chapter 2, Sections 010 through 019 of the NRDF Rules and Regulations on pages 100-104 of these Guidelines deal with the required form and content of project applications and feasibility reports.

Project sponsors and their consultants are encouraged to consult with Commission staff during preparation of feasibility reports. The staff will review methods and procedures to be utilized, project concepts or features in preliminary stages of planning, or drafts of reports, if requested. Sponsors are also encouraged to submit a draft application and feasibility report for preliminary review by Commission staff.

For all project applications and feasibility reports NRC/NRDF Form 02 must be completed. Form 02 also refers to other forms, which may need to be included in a particular application.

On NRC/NRDF Form 02, include the project name as set forth in the project proposal (if one was prepared).

#### **1. NAME AND ADDRESS OF APPLICANT'S AUTHORIZED REPRESENTATIVE:**

That individual designated by the applying agency or political subdivision responsible for correspondence relating to the project, along with his or her appropriate address.

#### **2. COVER LETTER:**

The cover letter should include the specific amount of requested funds; the type (grant and/or loan) of funds requested; the name of the sponsoring organization; and a statement giving the time and place the required public hearing was held. The letter is to be signed by the authorized representative and the Chairman (or comparable rank) of the governing body.

#### **3. DESCRIPTION OF GOALS AND PURPOSE OF PROJECT:**

Briefly list and explain the goals of the project and the purposes which it addresses; this may be continued on separate sheet.

#### **4. STATEMENT OF NEED AND URGENCY:**

Please explain why the project was developed and the urgency for the project.

**5. STATEMENT AS TO AVAILABILITY OF FUNDS FROM OTHER SOURCES:**

To be carried forward from NRC/NRDF Form 01 (if it was submitted). If other federal, state or local assistance has been given or promised for any work connected with the project, describe the nature and extent of such assistance. Include the grantor agency and amount. This may be continued on separate sheet.

**6. GENERAL DISCUSSION OF ALTERNATIVE PLANS CONSIDERED:**

(Continue on separate sheet, if needed)

An in-depth discussion is necessary so a determination can be made that there is no more cost effective manner to accomplish the project purpose(s). This may require supporting material such as maps and tables.

**7. OUTLINE OF INITIAL DEVELOPMENT AND PROJECT BACKGROUND:**

Describe the specific project for which financial assistance is being requested. Include the basic plan conception (when, where, why, etc.) in its present state. The project should be described in such manner as to adequately locate and delineate the project area with a site plan drawn to scale, showing the boundaries of the area. Also describe the property to be acquired and/or developed, the project's major features, and any other relevant information that pertains to the project.

**8. DEMONSTRATION OF AREA PUBLIC SUPPORT FOR THE PROJECT:**

Include letters from organizations and citizens. Information gained from the public hearing and a summary of the public hearing should be attached. This should include, as applicable, information both pro and con on the project. Only one copy of the project application needs to include this information unless otherwise requested.

**9. TECHNICAL FEASIBILITY:**

See Section III, Appendix A.

**10. ECONOMIC FEASIBILITY:**

See Section III, Appendix B.

**11. FINANCIAL FEASIBILITY:**

See Section III, Appendix C.

**12. ENVIRONMENTAL ACCEPTABILITY:**

See Section III, Appendix D. Refer to Chapter 2, Sections 011 and 016 of the NRDF Rules and Regulations for specific requirements that are to be included.

**13. LEGAL DATA:**

See Section III, Appendix E.

**14. ACKNOWLEDGEMENT:**

Self-Explanatory.

Nebraska Department of Natural Resources Nebraska Resources Development Fund <b>PROJECT APPLICATION &amp; CHECK LIST</b>	<b>1. PROPOSED PROJECT NAME:</b>	<b>NRC/NRDF Form 02 January 2001</b>
<b>MAIL OR DELIVER TO:</b> Administrative Coordinator Nebraska Resources Development Fund Department of Natural Resources 4 <sup>th</sup> Floor – State Office Building 301 Centennial Mall South P.O. Box 94676 Lincoln, Nebraska 68509-4676	<b>2. Name &amp; Address of Applicant's Authorized Representative :</b>	
<b>2. COVER LETTER</b>		<b>(ATTACH)    [ ]</b>
<b>3. DESCRIPTION OF GOALS AND PURPOSE OF PROJECT..</b>		
<b>4. STATEMENT OF NEED AND URGENCY:</b>		
<b>5. STATEMENT RELATIVE TO AVAILABILITY OF FUNDS FROM OTHER SOURCES :</b>		

<b>6. IN-DEPTH DISCUSSION OF ALTERNATIVE PLANS CONSIDERED:</b> (Continue on separate sheet, if required)	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>7. OUTLINE OF INITIAL DEVELOPMENT AND PROJECT BACKGROUND:</b>	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>8. DEMONSTRATION OF AREA PUBLIC SUPPORT FOR THE PROJECT:</b>	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>9. TECHNICAL FEASIBILITY:</b> (SEE APPENDIX A)	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>10. ECONOMIC FEASIBILITY:</b> (SEE APPENDIX B)	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>11. FINANCIAL FEASIBILITY:</b> (SEE APPENDIX C)	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>12. ENVIRONMENTAL ACCEPTABILITY:</b> (SEE APPENDIX D)	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>13. LEGAL DATA:</b> (SEE APPENDIX E)	<b>(ATTACH)</b>	<input type="checkbox"/>
<b>14. ACKNOWLEDGEMENT:</b> I hereby attest to the fact that the above project considers other plans and programs of the state and that the data contained herein are true and correct to the best of my knowledge and belief and that the filing of this Project Application has been duly authorized by the Government Body of the applicant.		
Authorized Representative:		
_____ Date	_____ Name (Print or Type)	_____ Signature (Sign)



**TECHNICAL FEASIBILITY****I. GENERAL**

The basis for the requirements regarding technical feasibility are contained in the Statutes and the NRDF Rules and Regulations. They also provide the basis for exceptions to the requirements for a complete technical section of the feasibility report.

**A. OBJECTIVE:**

The authority and responsibility for requiring that technical feasibility be proven is contained in Sections 2-1592 and 2-1594 of the Statutes, on page 115-116, Chapter 2 of the NRDF Rules and Regulations, pages 98-104, states that a project can be considered technically feasible when it can be designed, constructed, or otherwise implemented to accomplish the purpose(s) for which it was planned, utilizing accepted engineering and other technical principles and concepts.

**B. PROJECT SPONSORS:**

If the project is small (total cost of \$150,000 or less), with simple technical measures, and the project proposal is found to be adequate, the Director may advise the Commission of such finding, and waive the requirement for a detailed technical section of the feasibility report. The Director may appoint a staff member, and/or a consultant, experienced in the design and/or construction of similar projects and familiar with local material and construction costs, to determine the technical feasibility and estimated cost. The Director's representative(s) will confer with the applicant and any persons the applicant needs for assistance, such as contractors, and visit the proposed site as often as necessary to produce a professional opinion on feasibility and reach mutual agreement with the applicant on the project cost.

**II. TECHNICAL SECTION OF FEASIBILITY REPORT:**

Proof of the technical feasibility requires clear demonstration of compliance with applicable laws and codes and that accepted resource management, engineering, and other technical principles and concepts have been utilized. Basic to this proof are competent studies of all complex technical aspects of the project, such as hydrologic, geologic, and water quality studies. These studies should be commensurate in detail with the size and complexity of the project and the degree of potential impact on public health and safety.

Projects may be single-purpose or multi-purpose (see Chapter 1-004, NRDF Rules and Regulations) and both types could consist of one or more measures, increasing the complexity of the project. The complexity of the project should be an important determinant in the length of the technical section and the degree of detail in it. One of the controlling factors in the amount of information and the degree of detail required in every part of the technical section should be the need to show

the estimated cost of the project for proof of economic feasibility. In most cases, a project can be designed to work and be safe; making it meet economic feasibility requirements as well can be difficult.

The Technical Section could have as many as three parts: (1) the project description, which must be in the report, (2) maps and plans appended to the report if they can't be bound in it; and, (3) an appendix presenting documentation of factors influencing design of the plan and all features of it. If all maps and plans are small enough to be bound in the report, the only appendix required will be the design documentation.

**A. TEXT OF THE TECHNICAL SECTION:**

The text must be detailed and complete enough to provide a description that will produce a good understanding of all the features of the project. The tables that supplement, and are keyed to, the plans must be detailed and complete enough to show the quantities of all materials that contribute significantly to the cost of the project. One of the most important factors in determining the type and amount of information that must be presented, and the degree of detail in it, is the ability to show the amount of all types of materials and the work required to construct or implement the project

The type of information required will depend largely on the types of measures or structures, but the following sections will provide a guide to the requirements

**1. Administrative and Legal Factors**

Describe the sponsor's criteria and decisions relating to the purposes and objectives of the project, for example:

Selection of a level of flood protection by a levee different from 100-year protection and the criteria and reasons for that decision.

A sponsor's decision to exclude recreation as a purpose in a project and the factors leading to that decision

List the criteria or regulations followed in planning, including:

Controlling laws or codes, e.g.:

the Department of Water Resources' Rules for Surface Water,  
the Natural Resources Commission's Minimum Standards for Floodplain Management  
Programs  
the Board of Public Roads Classification and Standards

Local regulations and building codes

References, e.g.:

NRCS Handbooks, Technical Releases, and Design Notes,  
Bureau of Reclamation's "*Design of Small Dams*,"  
engineering and design manuals published by the Corps of Engineers

Joint use design considerations, e.g., road structures

**2. General Physical Factors**

Describe the physical characteristics of the project area and the structures or erosion control measures, including:

Topographic features such as rivers or bluffs, or existing structures or infrastructure, that influence project location or measures selected

Features of the project area that determine the hazard classification of a dam under the Department of Water Resources' rules

Location, type, and size of planned measures, with:

- Table 1 for dams and other storage structures,
- Table 2 for channels and canals

Construction material (type and quality)

The effect of the proposal on the development and/or operation of existing or envisioned projects, if the proposal is to purchase land rights to preserve future development opportunities

### **3. General Physical Factors**

Describe the geotechnical characteristics of the project area and the structures, for example:

- Foundation conditions
- Borrow areas and materials for embankments
- Erosion characteristics

Describe any geotechnical investigations made to support planning and the results of those investigations, including:

- Geologic drilling, with logs of borings
- Soil mechanics report based on a soils investigation

### **4. Hydrologic and Hydraulic Factors**

Describe the hydrologic and hydraulic characteristics of the watershed and project area, including the following where appropriate:

Water budget, including:

- average annual runoff in the drainage area,
- base flow in streams,
- evaporation loss,
- seepage loss,
- other water contributions and losses

Flood discharge/frequency, including:

- routing through a dam,
- peak discharge from a structure
- freeboard requirements

Floodplains impacted, including:

- the extent of jurisdiction of any governmental entity participating in the National Flood Insurance Program,
- all data needed to support floodplain map revision if the base flood elevation or floodway delineation is affected,
- information needed by any affected community to ensure that local floodplain development permit programs are followed (See Appendix E – Legal Data)

Groundwater data, including for example:

- permeability and water holding characteristics,
  - current levels and predicted change,
  - effect on surface flow
- Water quality

Describe any hydrologic and hydraulic investigations and their results, including the following where appropriate:

Collection of supplemental precipitation data  
Flood plain and channel cross-section surveys

## **5. Quantity and Cost Estimates**

Describe the factors used in estimating project cost, including:

The type and quantity of materials to be used in construction, and/or the type and time of machinery and labor required

The unit costs\*

The total costs for all significant parts of the project

The sources of costs used, if appropriate

The type and quantity of land rights required and the costs

Other significant costs of the project, e.g.:

operation, maintenance and replacement costs,  
construction inspection costs,  
contingency costs

Summarize all quantities and costs in Tables 3 and 4

## **B. MAPS AND PLANS**

The content of maps and plans needed to demonstrate technical feasibility will depend on the types of measures used in the project. One of the most important factors in determining the type and amount of information that must be presented, and the degree of detail in it, is the ability to show the amount of all types of materials and the work required to construct or implement the project. Maps and plans that are too large to be bound into the report should be appended to it.

The following sections provide only a guide to the information that should be included; judgment will be required to determine all that is needed in each case.

### **1. All Types of Projects**

Map of project location, showing:

Project name,  
Drainage area,  
Location of lands affected by the project,  
Location of planned measures,  
Legend, with symbols used  
Land rights map, if rights are affected

### **2. Dams, Grade Control Structures, and Other Instream Structures**

Plan of the project, showing:

Topography of the existing ground, and final configuration if earthwork is required  
Location and dimensions of all structures  
Location and dimensions of all components of the structures, including embankments, spillways, gates, cutoffs, drains, slope protection, energy dissipators, outlets, and others, in sufficient detail to allow determination of quantities of materials for estimating costs

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\* If needed, unit costs are available from the Nebraska Department of Roads or the NRC. The Department of Roads publishes an annual summary entitled, "*Awarded Bids Average Unit Prices*" which can be obtained from that department. The NRC does not have data of its own, and the data is not included in the NRD's economic data, but copies of Roads' publication can be made available.

Sections of structures detailing materials and dimensions, adequate for estimating quantities  
Slope protection detail

Profile along centerline of principal spillway

Profile along centerline of emergency spillway

Profile along centerline of structure

Map of flooded areas, showing:

FEMA flood plain delineations, if applicable

Area flooded before and after construction at design flows

Location of any human developments flooded and/or benefited, with key to benefits tables

### **3. Levees, Channels and Canals**

Plan and profile sheets, showing:

Topography of the existing ground and final configuration if earthwork is required

Location, alignment and elevations of the structure to be built or natural channel to be protected

Reaches with uniform characteristics, or points of change in characteristics

Location and dimensions of all components of the structure and/or measures, including embankments, spillways, gates, drains, slope protection, erosion control, etc.

Location and dimensions of appurtenant structures, such as bridges, culverts, gated inlets, etc.

Sections and details of appurtenant structures showing materials and dimensions adequate to support estimation of quantities

Location and details of any relocations, such as roads, residences, etc.

Water surface profiles

Cross-sections of channels and levees, with:

Dimensions and slopes for each reach

Construction material (type and quality)

Tables of flow capacity for reaches

Map of flooded areas, showing:

FEMA flood plain delineations

Area flooded before and after construction at design flows

Location of any human developments flooded and/or benefited, with key to benefits tables

### **4. Water Supply and Distribution Systems**

Plan of the project source (except dams), with:

Topography of the existing ground, and final configuration if earthwork is required

Location and cross-sections of wells, pumps, and appurtenant structures, showing details and dimensions adequate to support estimation of quantities

Location and profile of inlet and outlet facilities, such as pipes or channels

Legend, with symbols

Plan of distribution system, with:

Location and profile of pipes, canals, channels, irrigation turnouts, or seepage facilities

Location, sections and details of appurtenant structures, including storage tanks, showing materials and dimensions adequate to support estimation of quantities

Legend, with symbols

Water table map (if recharging)

Map of area benefitted by recharge

## **5. Floodproofing and Relocation**

Map of flooded areas, showing:

FEMA flood plain delineations or area flooded at design flows

Location of any structures or other human developments flooded, with an identification code keyed to descriptive tables

Land rights/parcels

Legend, with symbols

Water surface profiles at design flows

Typical plans and architectural elevations, with:

Details of floodproofing measures for various categories of structures

Configuration of the ground and landscaping details after a structure is removed

Map of relocation area, showing:

Existing structures and infrastructure

Sites for relocated structures

Land rights/parcels

## **6. Purchase of Land or Water Rights**

Preliminary plan of the future project, showing:

Topography of the existing ground

Preliminary location and dimensions of all project structures

Location of lands and structures affected by the future project

Land rights map

## **C. DOCUMENTATION OF DESIGN CONSIDERATIONS**

Important factors in the planning and design of significant features of the proposed project should be documented to facilitate review and approval. Decisions with significant impact on the plans, including decisions regarding specific objectives or constraints, should be explained. For example, if the objective in designing a dam is to provide 100-year sediment storage capacity in a project with a 50-year life to protect water quality in a downstream lake, the effect on size and capacity of the structure and materials and costs should be documented. Similarly, if buildings on the opposite side of a flood plain and the need to minimize the rise in future flood levels constitute a constraint on the location of a planned levee, that constraint and the decisions affecting the design should be documented. This documentation should be included in an appendix to the report.

### **1. Social and Legal Factors**

Describe the effects on the design, including the decisions made in designing the project, of the sponsor's criteria and decisions related to the purposes and objectives of the project, for example:

The effect on design decisions on factors such as freeboard of the sponsor's selection of 2000-year flood protection by a levee instead of 100-year protection

The effect on the size and location of a dam resulting from the sponsor's decision to eliminate recreation as a purpose in a project

The effect on design of decisions of the sponsoring entity, due to public concerns or limits of support, e.g.,:

public concerns about use of eminent domain to acquire land restricting location of facilities

existence of a cultural site that the public believes must be protected and the impact on design

Document the impact of legal and social objectives and constraints on decisions made in the design of the project, e.g.:

Lack of cooperation by a neighboring governmental entity to which the project might extend  
Projections of population growth and impact on demand for water

## **2. General Physical Factors**

Document the impact of general physical constraints in the project area on decisions made in the design of the project, e.g.:

The existence of topographical features that affect the location of a structure or the type of structure chosen and the extent of the impact on design decisions

Uncertainty about the location of existing infrastructure, such as water mains or communications cables, leading to a decision to increase the contingency for relocation costs

The rationale for selecting the hazard classification of a dam and the factors that dictated how conservative the classification was

## **3. Geotechnical Factors**

Document the impact of geotechnical objectives and constraints on decisions made in the design of the project, e.g.:

Data in boring logs that affects the type of foundation selected

Soils data, or lack thereof, that leads to a decision to use flatter-than-minimum slopes for embankments to be conservative in design, the degree of conservatism, and the impact on estimates of quantities and cost

## **4. Hydrologic and Hydraulic Factors**

Document the impact of hydrologic and hydraulic objectives and constraints on decisions made in the design of the project, e.g.:

Uncertainty caused by the lack of stream gaging data, or precipitation data in the watershed, and its effect on selection of discharge at design frequencies

Lack of historical flood data for calibrating HEC-2 computations and the effect on decisions on roughness coefficients, and how conservative the selected coefficient was

Availability of only preliminary data on the specific yield and transmissivity of the aquifer in the project area, and the effect on selection of those parameters for estimating the amount of recharge and its impact on the estimate of benefits – a short period of record and incomplete data on the quality of water in a stream, and the resulting uncertainty about the potential quality of an impoundment, and impact on potential recreation activities and benefits

## **5. Quantity and Cost Estimates**

Document the impact of decisions in the preceding sections, and other factors, on the estimates of quantities and cost of the project, including for example:

The level of confidence placed in the accuracy and level of detail of the available data and its impact on the degree of conservatism used in selecting unit prices, labor required, etc.

The rationale for selecting the percentage of project costs used for OM&R, construction inspection, and contingencies

Nebraska Department of Natural Resources Nebraska Resources Development Fund <b>TECHNICAL FEASIBILITY DATA</b>	<b>1. PROJECT NAME:</b>	<b>NRC/NRDF Form 02T1 January 2001</b>
<b>MAIL OR DELIVER TO:</b> <b>Administrative Coordinator</b> <b>Nebraska Resources Development Fund</b> <b>Department of Natural Resources</b> <b>4<sup>th</sup> Floor–State Office Building</b> <b>301 Centennial Mall South</b> <b>P.O. Box 94676</b> <b>Lincoln, Nebraska 68509-4676</b>		
<b>STRUCTURAL PROJECT:</b> Shall be considered technically feasible when it can and will be designed, constructed, and operated to accomplish the purpose(s) for which it was planned utilizing accepted engineering and other technical principles and concepts. Data to be provided should include, but is not limited to, the following:		
<b>1. Text of the Technical Section</b>	(ATTACH) <input type="checkbox"/>	
<b>2. Map and Plans.</b>	(ATTACH) <input type="checkbox"/>	
<b>3. Documentation of Design Considerations.</b>	(ATTACH) <input type="checkbox"/>	
<b>NON-STRUCTURAL PROJECT:</b> Shall be considered technically feasible when it can and will be designed and carried out to accomplish the purpose(s) for which it was planned. Data to be provided should include, but is not limited to, the following:		
<b>1. Text of the Technical Section</b>	(ATTACH) <input type="checkbox"/>	
<b>2. Maps and Plans.</b>	(ATTACH) <input type="checkbox"/>	
<b>3. Documentation of Design Considerations.</b>	(ATTACH) <input type="checkbox"/>	
<b>ESTIMATED TIME AFTER APPROVAL TO:</b>		
Advertise for Bidding _____ Begin Construction _____		
Estimated Construction Period _____ to _____		
Perform O, M & R _____		



**TABLE 1****STRUCTURAL DATA****STRUCTURE WITH PLANNED STORAGE CAPACITY**

NAME \_\_\_\_\_

ITEM	UNIT	QUANTITY
Class of Structure		
Drainage Area	Sq. Mi.	
Controlled Portion	Sq. Mi.	
Curve No. (1-day) (AMC II)		
Time of Construction	Hrs.	
Elevation Top of Dam	Ft.	
Elevation Crest Emergency Spillway	Ft.	
Elevation High Stage Inlet	Ft.	
Maximum Height of Dam	Ft.	
Volume of Fill	Cu. Yds.	
Total Capacity	Ac. Ft.	
Sediment Submerged 1 <sup>st</sup> 50 Years	Ac. Ft.	
Sediment Aerated	Ac. Ft.	
Beneficial Use (Identify Use)	Ac. Ft.	
Retarding	Ac. Ft.	
Surface Area		
Sediment Pool	Ac.	
Beneficial Use Pool (Identify Use)	Ac.	
Retarding Pool	Ac.	
Principal Spillway		
Rainfall Volume (1-day)	In.	
Rainfall Volume (10-day)	In.	
Runoff Volume (10-day)	In.	
Capacity of High Stage (Max)	Cfs.	
Frequency Operation – Emergency Spillway	% Chance	
Size of Conduit	Dim.	
Emergency Spillway		
Rainfall Volume (ESH)	In.	
Runoff Volume	In.	
Type (Earth, Concrete, etc.)		
Bottom Width	Ft.	
Velocity of Flow (Ve)	Ft./Sec.	
Slope of Exit Channel	Ft./Sec.	
Maximum Water Surface Elevation	Ft.	
Freeboard		
Rainfall Volume (FH) (Aereal)	In.	
Runoff Volume (FH)	In.	
Maximum Water Surface Elevation	Ft.	
Capacity Equivalents		
Sediment Volume	In.	
Retarding Volume	In.	
Other Volume	In.	

**TABLE 2**

**DESIGN DATA  
CHANNELS AND FLOODWAYS**

Reach Stationing  From <sup>1/</sup> ———To ———	Uncontrolled Drainage Area Sq. Mi.	Design Discharge <sup>2/</sup> Cfs	Channel Dimensions			“n” Value Aged	Average Velocity Ft./Sec.	Evacuation Volume Cu. Yds.
			Bottom		Side Slopes			
			Gradient Ft./Ft.	Width Ft.				

<sup>1/</sup> Reach stationing increments shall begin at each change in side slope, gradient, bottom width, design discharge, etc.

<sup>2/</sup> Design discharge frequency or drainage curve data should be specified in a footnote. The water surface profiles plotted on profile sheets should correspond with the specified design discharge.

**TABLE 3**

**QUANTITIES AND COST**

for

STRUCTURE \_\_\_\_\_  
Name/No.

	<u>Unit</u>	<u>Quantity</u>	<u>Unit Cost</u>	<u>Item Cost</u>	<u>Total</u>
<b><u>LAND AND DAMAGES</u></b>					
Fee Title	Ac.	_____	_____	_____	
Easements	Ac.	_____	_____	_____	
Relocation (Residential)	No.	_____	_____	_____	
(Utilities)	Lump Sum				_____
<b><u>CONSTRUCTION</u></b>					
(List major items, including all that are 10% or more of total construction cost such as example below):					
Clearing and Grubbing	Ac.	_____	_____	_____	_____
Excavation	C.Y.	_____	_____	_____	_____
Embankment	C.Y.	_____	_____	_____	_____
Conduits and Appurtenances	Lump Sum	_____	_____	_____	_____
Seeding & Fencing	Ac.	_____	_____	_____	_____
Fountain Treatment	Lump Sum	_____	_____	_____	_____
Slope Protection	C.Y.	_____	_____	_____	_____
Others	?	_____	_____	_____	_____
Contingencies	%				_____
<b><u>O, M &amp; R COST</u></b>	%		_____	_____	
<b><u>STRUCTURE COST</u></b>					
					=====

TABLE 4

TOTAL PROJECT COST

for

Project

	Item Cost	Total
<b><u>LAND AND DAMAGES</u></b>		
Fee Title		
Easements		
Relocation (Residential)		
(Utilities)		
<b><u>CONSTRUCTION</u></b>		
(List all items in individual structure tables)		
<b><u>O, M &amp; R COST</u></b>		
<b><u>ENGINEERING &amp; DESIGN</u></b>		
<b><u>ADMINISTRATION &amp; INSPECTION</u></b>		
<b><u>PROJECT COST</u></b>		

**ECONOMIC FEASIBILITY****GENERAL**

The primary purpose of the economic feasibility analysis is to determine if the proposed project is economically justified, that is, whether primary, tangible benefits exceed total project costs to the extent required by the Commission. Such an analysis should also demonstrate the need for the project, provide guidance for project development, and provide sufficient data to evaluate the economic desirability of alternatives.

The basic objective in the economic evaluation of a project is to compare the value of the items and services produced, protected, or conserved with the value of the costs incurred. To arrive at comparable results, it is necessary that uniform assessment techniques be utilized for pricing project goods and services; project effects be evaluated from a similar point of view; project effects of a project be determined on an appropriate base; and consistent assumptions regarding the general economic setting be used.

A project will be considered economically feasible if:

- 1) Primary tangible benefits exceed project costs to the extent required by the Commission; and
- 2) In the case of projects that have a NRDF cost over \$100,000, each project purpose provides benefits equal to or greater than its separable or specific cost (ATTACHMENT NO. 1, page 40) as specified by the Director; and
- 3) There must be no known means of accomplishing the same purpose or purposes more economically.

Following submission by the applicant of all information and analysis used in deriving the "Cash Flow Stream" (ATTACHMENT NO. 2, page 41), benefits and costs will be analyzed by the Director to determine the "Rate-of-Return on Investment." This analysis will treat project costs as an investment and utilizes benefits in determining return on the investment. In accordance with Chapter 2, Section 014.04 of the Rules and Regulations, the Commission requires a minimum rate-of-return of 3.0% for a project to be considered economically feasible at this time. This minimum rate-of-return is subject to change by the Commission.

The purpose of this section is to provide instructions which will guide applicants in the preparation of benefit and cost information which is needed to complete most applications. The kinds of projects covered include, but are not necessarily limited to, flood control, irrigation, outdoor recreation, groundwater recharge, and sediment and erosion control. Before beginning an economic evaluation, an applicant should contact the Administrative Coordinator of the NRDF Program for guidance on use of the Guidelines as applied to the particular project.

**STANDARDS RELATING TO INFORMATION:**

In preparing economic information about the project, applicants are reminded of the following:

1. All economic feasibility analysis is to be based on current conditions; for example, land use, population, level of development, crop prices, etc. unless otherwise authorized by the Director. All

monetary data is to be expressed in current dollars. Prices for farm commodities, livestock, and recreation which are to be used in preparing the application are provided by the Director (see attachments in this section).

2. All data must be documented as to source and method of derivation.
3. The life of a project, for economic purposes, may be no longer than 50 years. The life of a project begins when the sponsor begins receiving reimbursement through the NRDF.

#### **ANALYSIS OF BENEFITS AND COSTS:**

Only primary, tangible benefits as identified in the Definitions Section of these Guidelines may be used in determining economic justification. Secondary and intangible benefits should, however, be described in narrative form to assist the Director and Commission in making a comprehensive evaluation of the project. Likewise, any benefits based on future conditions that may relate to the project should be described and projected. Although these benefits cannot be counted, they are a factor that merits consideration in project evaluation.

The estimation of benefits should proceed from the basis that benefits are comprised of the increased net values (expressed in current dollars) of products and services and/or reduction in costs or damages which accrue to primary beneficiaries as a result of the project. The following descriptions of benefit calculations represent estimates which can be made for most projects. Alternative estimating methods may be utilized, if justified and approved by the Director prior to the submission of the project application and feasibility report.

#### **FLOOD CONTROL:**

Several methods are presently available for the evaluation of flood control costs and flood control benefits. The following items contain some of those detailed methods:

##### **Residential:**

An appraisal of the residential area within the 100-year flood plain should be made (after defining the 100-year flood plain) to determine locations, values, and elevations of houses. The area should also be evaluated as to the extent of public facilities which would or could be flooded. Coinciding with this should be a water depth determination and configuration of at least three (3) floods (i.e.: 100-year, 50-year, and 25-year) for the area and the associated depths of each. When this information has been assembled, damage per flood can be calculated by applying the depth damage factors in ATTACHMENTS NO. 3 and 4 (pages 45 and 46).

The total damages for floods should then be converted to average annual damages (see "*Average Annual Damages*").

##### **Commercial:**

Damages to businesses and commercial areas should also be estimated using steps in the residential section above. After an initial value estimating survey, it is suggested that some of the business owners be interviewed. These interviews would assist in arriving at more accurate damage figures for items on hand in the business. These damages would vary with depth of flood waters. Depth damage factors in ATTACHMENTS NO. 5 and 6 (pages 47 and 48) may be used as a guide for smaller business establishments.

### **Average Annual Damages:<sup>1/</sup>**

Total damages to residential and commercial areas, either estimated or actual, for each flood event assessed, along with that point where damage begins, should be graphed according to the probability of the floods (Example shown in ATTACHMENT NO. 7, page 49). The area under the damage curve can then be measured with a planimeter or calculated mathematically to determine average annual damages for present conditions. A similar damage curve is then constructed for conditions “with” the project, and the difference (damage reduction) will be the project benefits.

### **Crop and Pasture:**

A strip map (See ATTACHMENT NO. 8, page 51) showing the location of the cross-sections and crops by type should be developed for each segment or segments to be analyzed. Farm Service Agency (FSA) aerial photography, recent land use maps, or on-site inspection may be used in locating crops in the project area.

Using crop distribution data, from that data established on the strip map, recommended crop yields (ATTACHMENT NO. 9, page 53), and recommended five-year average prices (ATTACHMENT NO. 10, page 52), a “composite damageable value per acre of flood plain” table can be constructed (ATTACHMENT NO. 11, page 53).

The damage rate per acre flooded at different depths is then calculated multiplying the damageable value per acre flooded by a depth damage factor (ATTACHMENT NO. 12, page 54). Results are to be put in table form (ATTACHMENT NO. 13, page 55), which demonstrates the damages for depths 0-3 feet.

Following this, the acres flooded for depths 0-3 feet, should be determined for at least three (3) flood events (100-, 50-, and 25-year). The acres flooded at each stage depth (0 to 1 foot; 1.1 to 3 feet; and over 3 feet) per flood event is then multiplied by the damage rates developed in ATTACHMENT NO. 13 to arrive at the total damages attributable to each flood.

The total damages per flood event and the point where damage would begin may then be plotted on a graph against the probability of the flood (example shown on ATTACHMENT NO. 7). The area under the damage curve can then be measured with a planimeter or calculated mathematically to determine the average annual damage for present conditions. A similar damage curve should be constructed for conditions with the project and the differences between the two, or the damage reduction, will be the resulting project benefits.

The above procedure is to be followed for each cross-section and the cross-sections should not be more than two (2) miles apart, depending upon channel or watershed characteristics.

### **Other Rural:**

Damages to farm equipment and fences, livestock losses, and other rural damages may also be included. Benefits from reducing these damages must be documented and related to specific events.

### **Road and Bridge:**

Estimates of damages to roads, bridges, and railroads may be obtained from engineers, county commissioners, or other sources. The estimates should be related to specific events and depths of flooding.

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<sup>1/</sup> The Commission has a computer program that will compute average annual flood damages, but it requires the same data input.

If the evaluation includes replacement of bridges, the maximum benefits will be the value of similar structures or the least cost alternative structure to provide the existing level of service.

**Indirect:**

Indirect benefits will not be allowed. Only primary, tangible benefits as defined in the Definitions Section of these Guidelines may be used in determining economic justification.

**SEDIMENT AND EROSION:**

It is normally assumed that benefits from sediment and erosion reduction are accounted for in the calculation of flood damage benefits. However, additional damages may occur due to overbank deposits, crop damage, disruption of irrigation or drainage facilities, channel filling, water turbidity, facility or equipment damage, reservoir deposition or land voiding. For such benefits to be claimed separately, it must be shown that sedimentation and erosion damages are clearly in excess of flood damages. The NRCS State Geologist can provide guidance regarding the determination of benefits associated with the reduction of flood plain scouring and sediment deposition. Benefits from reduction of sedimentation in existing reservoirs will be permitted only if the project will reduce the rate of sedimentation below the design rate.

Estimation of the project benefits relating to erosion and sedimentation control should be based upon the annual damages which are to be prevented or reduced by the project. Although land treatment by the landowner may accompany the project, the portion of benefits attributable to such land treatment may not be included in the calculation of total project benefits. Additionally, damages to buildings, fences, roads, irrigation ditches, etc., must be documented and estimated on the basis of cost to repair, cost to remove sediment, or reduction in facility value.

**IRRIGATION:**

Of primary concern in measuring irrigation benefits is the increase in annual net income resulting over the life of the project from the increased production of agricultural crops. In calculating the irrigation benefits, current costs and returns will be used. These benefits consist of the following:

1. The value of increased production of agricultural crops less any increase in variable production costs, cost of land treatment measures, and other on-farm capital expenditures associated with the increased production and/or improved water management;
2. Reduced cost in the operation and maintenance of the present irrigation facilities.

The information for conditions with and without the project can be recorded in ATTACHMENT NO. 14 (page 56). This includes acreages of each irrigated and non-irrigated crop, crop yields and values based on information from ATTACHMENTS NO. 9 and 10 (pages 51 and 52), and crop production costs. The most recent crop production costs from the Department of Agricultural Economics at the University of Nebraska-Lincoln can be used for calculating annual net income.

**GROUNDWATER RECHARGE:**

Benefits from groundwater recharge shall be limited to the existing level of development and they shall be from:

- 1) Savings in pumping costs associated with reduced lift.
- 2) Net income associated with extension of aquifer life.



These benefits will be limited to the area which can be demonstrated to be affected by the project.

Annual reduced pumping costs can be estimated by the following formula:

$$\text{Annual cost savings} = (\text{pumping costs per acre foot per foot of lift}) (\text{cumulative change in average lift}) (\text{acre feet of water pumped without recharge})$$

Pumping costs per acre foot per foot of lift can increase significantly with reduced well capacity as the aquifer approaches depletion.

Annual recharge benefits from extended aquifer life will be realized only after the aquifer level is reduced sufficiently to cause reduced well capacity. The annual benefits can be estimated from the following formula:

$$\text{Annual recharge benefits from aquifer extension} = (\text{value of an acre foot of irrigation water}) (\text{acre feet of water pumped with recharge} - \text{acre/feet of water pumped without recharge})$$

The value of an acre foot of irrigation water shall be determined in the same manner as for irrigation benefits in the preceding section.

## **FISH AND WILDLIFE:**

Because of the difficulty of quantifying the economic benefits from fish and wildlife habitat, no generally accepted method has been developed and benefits claimed will not be allowed unless the method of analysis has been approved by the Director prior to the submission of the project application and feasibility report.

## **RECREATION:**

Outdoor recreation projects must include adequate land acquired in fee title to allow for the planned activities, to provide for proper management of the project, and to avoid conflict with adjoining private lands. Outdoor recreation benefits related to the project will be stated in dollars and will be based on the number of anticipated annual recreation days at the project site. Project designs must have enough detail to determine the appropriateness of the benefits claimed. This section provides an example of procedures which may be utilized in estimating:

1. The demand for recreation;
2. The supply which exists to meet the demand; and,
3. The amount of unsatisfied demand which the project can be expected to meet.

### **Demand Estimates:**

Demand estimates are based on population and recreation data.

The population of concern is that within the recreation market area. An estimate of this population is used with information contained in ATTACHMENTS NO. 15 and 16 (pages 57 and 58) to estimate the anticipated demand for each recreation activity planned for the project. The boundary for the recreation market area (RMA) is a circle enclosing the region from where 80 percent of the project's users originate. The circle's radius is measured in miles and is determined by applying the following RMA formula:

$$\text{Radius of Recreation Market Area (in Miles)} = 69.473 + (.125 \times X_1) - (209.616 \times X_2) - (.004 \times X_3)$$

Where  $X_1$  = acres of water

$X_2$  = acres of water/total (land + water) acres of project

$X_3$  = (Population density per sq. mile within 25 miles)<sup>2</sup>

Projects expected to have very good water quality may add an additional 24.4 miles to the results of the RMA formula. In order to claim these additional miles, the applicant must substantiate high water quality. The following should be addressed: The low-flow characteristics of the contributing stream, present land use and the degree of adequate land treatment in the watershed, the extent of irrigation and irrigation runoff above the planned project, the results of systematic water quality sampling in the contributing stream, the presence and status of treatment of any feed lots and wastewater facilities, along with factors that affect suspended sediment such as soil types, reservoir orientation and fetch.

In areas of very high population densities, the Recreation Market Area formula may markedly underestimate the radius of the market area circle. For projects where this occurs, a distance of 20 miles should be used for the radius of the market area circle.

To get the population density to construct the circle, use the density of the portions of counties involved, figuring even distribution of population over county. Population densities can be obtained from ATTACHMENT NO. 17 (page 59) or from the latest estimates available from the Natural Resources Commission, Data Bank.

### **Benefit Calculation:**

The major task in computing recreational benefits is to calculate the number of recreation days attributable to a project for its various recreation activities. A step-by-step explanation of the computation of recreation benefits for two activities is provided in the text that begins on page 34.

A second example of the calculation of recreation benefits is given in ATTACHMENT NO. 18 (page 60). This tabular layout illustrates the calculations for five example recreational activities. The procedures used are the same as those illustrated in the example in the text.

### **Step One:**

Step one is to determine the population within the recreation market area. This is calculated using the county population estimates shown in ATTACHMENT NO. 17 (page 59) or from the latest estimate of the Natural Resources Commission, Data Bank. The recreation market area will enclose whole county populations and/or parts of county populations, depending on its size and location.

For market area circles that include partial areas of counties, proceed as follows:

1. Obtain latest population estimates for the towns in the county from the Natural Resources Commission, Data Bank.
2. Subtract the total town population from total county, to get rural.
3. Calculate percent of county in the circle and use that percent for rural plus the towns in the circle for a total (assume even distribution for farms).

In the following example, the population within the recreation market area was estimated to be 64,800.

## Step Two:

The second step is the estimation of demand of two recreation activities, Beach Swimming and Picnicking.

### Beach Swimming

- 64,800 - population as defined in Step One.
- $\frac{X}{25,337} .391$  - proportion of population participating (ATTACHMENT NO. 15)
- $X \ 13.5$  - participation rate (ATTACHMENT NO. 15)
- 342,050 - activity days of demand in recreation market area
- $X \ .40$  - percent of activity on peak days (ATTACHMENT NO. 16)
- 136,820 - activity days on peak use days

The following formula then comes into use:

$$\frac{\text{Activity days on peak use days}}{(\text{Number of Peak Days})(\text{Average Number of Persons/Party})(\text{Turnover Rate})}$$

Which translates into the following set of figures:

$$\frac{136,820 \text{ (from above)}}{(12)(2.5)(2.5)} = 1824 \text{---Number of parties (groups) within the recreation market area expected to use beach swimming facilities on peak use days at one time.}$$

The number of parties within the recreation market area has to be divided by the parties per acre of beach (ATTACHMENT NO. 16) to get the number of acres of beach required in the recreation market area. In this case:

$$\frac{1824}{174} = 10.48$$

However, since 30 percent of the parties are in the water at any one time (ATTACHMENT NO 16), the number of acres of beach needed is reduced to (10.48)(.70), or 7.34 acres.

To find the number of acres of water required for swimming in association with the acres of beach area, the following computations are included:

- 1,824 - Parties
- $X \ .30$  - Percent of parties in the water (ATTACHMENT NO. 16)
- 547 - Parties in the water
- $X \ 250$  - Square feet of surface water/party (ATTACHMENT NO. 16)
- 136,800 - Total square feet of surface water needed – which needs to be divided by square footage/acre (43,560)
- $\frac{136,800}{43,560} = \underline{3.14}$  Total acres of surface water needed for beach swimming in the area of primary influence

Therefore: 7.34 acres are needed for beach area, and

3.14 surface acres of water are needed for swimming

### **Picnicking**

64,800	-	Population as defined in Step One
<u>X .836</u>	-	Proportion of population participating (ATTACHMENT NO. 15)
54,173		
<u>X 8.5</u>	-	Participation rate (ATTACHMENT NO. 15)
460,470	-	Activity days of demand in area of primary influence
<u>X .60</u>	-	Percent of activity on peak days (ATTACHMENT NO. 16)
276,282	-	Activity days on peak use days
<u>276,282</u>	=	1,645 parties on peak days
(21)(4)(2)	-	(from ATTACHMENT NO. 16)

Therefore, 1,645 tables are needed.

### **Step Three.**

The third step is to calculate the supply and unsatisfied demand of the two recreation aspects. The supply is the sum of existing facilities as listed in the *STATE COMPREHENSIVE OUTDOOR RECREATION PLAN* (SCORP) plus any other projects which have subsequently been authorized for funding by the Nebraska Game and Parks Commission, the Nebraska Natural Resources Commission, or a Natural Resources District at the time of Project Proposal approval. The project sponsor may contact the Nebraska Game and Parks Commission for all data necessary to complete the calculation of existing recreation supply. ATTACHMENT NO. 19 (page 63) allows recording of the location of the facilities and the amount at each location. For these calculations the following method is utilized:

### **Beach Swimming**

3.14	-	Surface acres of water needed
<u>- .14</u>	-	Acres of supply (S.C.O.R.P.)
3.00	-	<i>Acres of water still needed</i>
7.34	-	Acres of beach needed
<u>- .46</u>	-	Acres of Supply
6.88	-	<i>Acres of beach still needed</i>

From the information in ATTACHMENT NO. 19, the present supply in the recreation market area is .14 acres of water for swimming and .46 acres of associated beach. Thus, even with the addition of the project's .17 acres of water for swimming and .57 acres for beach, demand will greatly exceed supply. Consequently, benefits can be claimed for all swimming activity days at the facility.

### **Picnicking**

From the information in ATTACHMENT NO. 19, the present supply of tables is 604, and the number required is 1,645. Since the project proposes 70 tables, the supply of tables will still fall short of demand by 971 tables.

#### **Step Four: Capacity of Proposed Project**

Activity days are the capacity of a proposed project and are calculated in this step.

##### **For Swimming:**

174	-	Parties/acre of Beach (ATTACHMENT NO. 16)
<u>X .57</u>	-	Acres of Beach (ATTACHMENT NO. 19)
99	-	Parties
<u>X 75</u>	-	Peak day use factor (12 x 2.5 x 2.5)
7,425	-	Activity days on peak days

To determine total activity days for swimming, this figure must be divided by the percent activity on peak days (ATTACHMENT NO. 16).

$$\frac{7,425}{.40} = 18,563 \text{ total swimming activity days}$$

##### **For Picnicking:**

70	-	(Tables)
<u>X 168</u>	-	(Peak day use factor (21 x 4 x 2))
11,760	-	Activity days on peak days

To determine total activity days for picnicking, this figure must be divided by the percent activity on peak days (ATTACHMENT NO. 16).

$$\frac{11,760}{.60} = 19,600 \text{ Activity days for picnicking}$$

Add the activity days together -

18,563	-	Beach Swimming
<u>19,600</u>	-	Picnicking
38,163		Total

#### **Step Five. Value of Recreation Benefits of Project:**

Once the number of activity days for each activity has been estimated, it is divided by two to get recreation days. The figure for total recreation days is multiplied by \$5.74 (or Contact the NNRC for the latest Recreation Day Value) to estimate total recreation benefits.

$$\begin{array}{rcl} \frac{38,163}{2} & = & 19,082 \quad - \text{ Recreation days} \\ & & \text{X } \$5.74 \quad - \text{ Value per Recreation Day} \\ & & \$109,531 \quad - \text{ Total annual benefits attributed to recreation} \end{array}$$

These procedures are utilized for all recreation aspects of a project.

## **CONSTRUCTION AND LAND RIGHTS COSTS:**

These costs are to be estimated in current dollars and are to include engineering, fees, and contingencies (refer to TABLES 3 and 4 on pages 26 and 27). They are to be described separately in the text and listed jointly on the Cash Flow Sheet (ATTACHMENT NO. 20, page 64) according to the year money is to be spent. ATTACHMENT NO. 21 (page 65) can be used as a guide when estimating land rights costs. In cases where land or easements are donated, the value of the donation is to be included as a cost for purposes of calculating the rate-of-return.

## **COST ALLOCATION AND ECONOMIC JUSTIFICATION:**

### **Multi-Purpose Project:**

For allocating costs on a multi-purpose project that has a NRDF cost over \$100,000, the “*Separable Cost-Remaining Benefits Method*” as described in the Natural Resources Conservation Service ECONOMICS GUIDE should be used. This method is shown on ATTACHMENT NO. 1 (see page 40).

### **Single-Purpose Project:**

For a project designed for a single-purpose, project benefits will be compared to project costs in the economic analysis.

## **OPERATION, MAINTENANCE, AND REPLACEMENT COSTS:**

For a description of operation, maintenance, and replacement costs, see ATTACHMENT NO. 21 (page 65) and the Final Feasibility, Section Three, Appendix C (page 66). These costs must be included in the total project costs; however, no funds will be granted or loaned for expenditure of such costs.

## **CASH FLOW AND INTERNAL RATE-OF-RETURN ON INVESTMENT:**

For Nebraska Resources Development Fund projects, all benefit and cost data are presented in a table to show the annual cash flow for the life of the project. The cash flow stream is then used for a computer program that calculates the rate-of-return on investment. The Commission has adopted a minimum rate-of-return of 3.0% for any project to be eligible for NRDF assistance.

The rate-of-return on investment is the discount rate at which the net present worth of the project incremental cash flow is zero. It is also the discount rate at which the benefit/cost ratio is one to one.

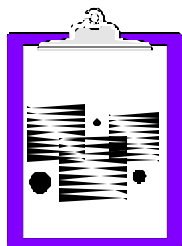
The rate-of-return identifies the earning power of the money invested in a project. It will be one of the factors considered by the Commission to determine the priority of funding for projects. A Cash Flow Table is shown on ATTACHMENT NO. 2 (page 41).

Project sponsors not having access to the computer facilities necessary to calculate the internal rate-of-return on investment can calculate the net present value of the stream of benefits and the net present value of the stream of costs using a 3% discount rate, and calculate the benefit/cost ratio for the project. A project whose benefit/cost ratio is greater than 1.0 using the 3% discount rate will exceed the required 3% minimum rate-of-return required by the Commission. Once the cash flow stream is developed for a project, assistance in calculating the internal rate-of-return may be requested from the NRC staff.

**INTEREST RATE FOR LOANS:**

The interest rate for applicants seeking loans from the Resources Development Fund is determined by a three-year average of Aaa State-local bond yields. The average is rounded to the nearest 1/8<sup>th</sup> percent. ATTACHMENT NO. 22 (page 66) shows this interest rate.

## LIST OF ATTACHMENTS



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## ATTACHMENT NO 1

### SEPARATE COST-REMAINING BENEFITS CALCULATIONS

ITEM	RECREATION	CONTROL	IRRIGATION	TOTAL
<b><u>COSTS TO BE ALLOCATED:</u></b>				27,500.00
a. Benefits	9,200.00	12,800.00	12,000.00	34,000.00
b. Alternative Costs	8,800.00	14,000.00	12,000.00	34,800.00
c. Justifiable Expenditure	8,800.00	12,800.00	12,000.00	33,600.00
d. Separable Costs	2,300.00	10,100.00	6,500.00	18,900.00
1. Construction Costs	(2,000.00)	(6,100.00)	(3,800.00)	(11,900.00)
2. OM&R Costs	(300.00)	(4,000.00)	(2,700.00)	(7,000.00)
e. Remaining Justifiable Expenditure	6,500.00	2,700.00	5,500.00	14,700.00
f. Percent Distribution	44.22%	18.37%	37.41%	100.00%
g. Remaining Joint Costs	3,802.72	1,579.59	3,217.69	8,600.00
1. Construction Costs	(3,306.71)	(954.00)	(1,881.11)	(6,141.82)
2. OM&R Costs	(496.01)	(625.59)	(1,336.58)	(2,458.18)
h. Total Allocated Costs	6,102.72	11,679.59	9,717.69	27,500.00
1. Construction Costs	(5,306.71)	(7,054.00)	(5,681.11)	(18,041.82)
2. OM&R Costs	(796.01)	(4,625.59)	(4,036.58)	(9,458.18)

This cost allocation method uses the costs that can be identified for each purpose and the remaining benefits for each purpose to allocate the joint costs among them. The costs associated with each specific purpose (separate costs) are charged to each purpose. The joint costs of the project are divided among the purposes according to the amount of benefits that remain for each after separate costs are paid.

A line-by-line approach is used to describe this method. Each line is defined and the calculation used to determine the values is described as follows:

**COSTS TO BE ALLOCATED:** This is the total cost of the project, including all construction costs and operation, maintenance and replacement costs. Both separate and joint costs are included in this total. The example cost is \$27,500.00.

- a. **BENEFITS:** This is the expected value of benefits that will be derived for each of the project purposes.
- b. **ALTERNATIVE COSTS:** This is the estimated cost for a single purpose project that would generate the same benefits as those expected for the multi-purpose project.
- c. **JUSTIFIABLE EXPENDITURE:** The lesser of a. and b. is selected for each purpose. This is the maximum costs that can be allocated to the purpose and is therefore the justifiable expenditure.
- d. **SEPARABLE COSTS:** This is the specific cost that can be associated with each project purpose. It is the minimum among allocation.
- e. **REMAINING JUSTIFIABLE EXPENDITURE:** The separable cost for each purpose is subtracted from its justifiable expenditure to determine the remaining justifiable expenditure.
- f. **PERCENT DISTRIBUTION:** The proportion of the total remaining justifiable expenditure for each purpose. For example, the remaining justifiable expenditure (RJE) for recreation is \$6,500 and the RJE for all is \$14,700. The percent distribution for recreation is \$6,500 divided by \$14,700 or 44.22%.
- g. **REMAINING JOINT COSTS:** The total separable costs are subtracted from the total project cost (\$27,500 – \$18,900 = \$8,600) to determine the remaining joint costs. This amount is allocated to each purpose according to the percentages calculated in set “f”.
- h. **TOTAL ALLOCATED COSTS:** This value is the sum of the separable costs (item d.) and the distributed remaining joint costs (item g.). For the recreation purpose, it would be \$2,300 + \$3,802.72 for a total of \$6,102.72.

## ATTACHMENT NO. 2

### CASH FLOW STREAM – FORMAT

YEAR	PROJECT YEAR	FEASIBILITY ENGINEERING INSPECTION	CAPITAL ITEMS	OM&R	ASSOCIATED COSTS	GROSS COSTS	TOTAL VALUE OF PROJECT (GROSS BENEFITS)	INCREMENTAL BENEFITS	ACCUMULATIVE BENEFITS
1999	0								
2000	1								
2001	2								
2002	3								
2003	4								
2004	5								
2005	6								
2006	7								
2007	8								
2008	9								
2009	10								
2010	11								
2011	12								
2012	13								
2013	14								
2014	15								
2015	16								
2016	17								
2017	18								
2018	19								
2019	20								
2020	21								
2021	22								
2022	23								
2023	24								
2024	25-50								
<b>TOTAL:</b>									

**YEAR** – Should cover the life of the project or 50 years, whichever is less (can cover groups of years where the cash flow is identical).

**FEASIBILITY STUDY** – Should cover the cost of preparation and should be entered in year 0.

**ENGINEERING & INSPECTION** – Should reflect such costs and be entered in year of occurrence.

**CAPITAL ITEMS** – Should cover all construction costs, land rights costs, and costs of auxiliary facilities.

**OPERATION, MAINTENANCE & REPLACEMENT COSTS** – Should cover all O, M & R for the life of the project.

**ASSOCIATED COSTS** – Should cover all extra costs incurred individually by beneficiaries to realize their benefits in full, such as costs incurred by a farmer in distributing water from an irrigation project or costs incurred by a farmer to convert to a new cropping system or change in land use resulting from a flood control project. In cases where the benefit measurement takes into account added cost to a primary beneficiary in realizing his benefits, the associated costs will not be computed separately.

**GROSS COSTS** – Is a summation of the listed project costs

**TOTAL VALUE OF PROJECT (GROSS BENEFITS)** – Should cover only the primary tangible benefits accruing because of the project or program.

**INCREMENTAL BENEFIT (CASH FLOW)** – Is the difference between the gross costs and gross benefits.

**ACCUMULATIVE BENEFIT (CASH FLOW)** – Is the difference between the accumulative gross costs and the accumulative gross benefits.

**ATTACHMENT NO. 2 (Continued)**

**CASH FLOW STREAM – EXAMPLE**  
**RATE OF RETURN = 9.695%**

YEAR	PROJECT YEAR	FEASIBILITY ENGINEERING INSPECTION	CAPITAL ITEMS	OM&R	ASSOCIATED COSTS	GROSS COSTS	TOTAL VALUE OF PROJECT (GROSS BENEFITS)	INCREMENTAL BENEFITS	ACCUMULATIVE BENEFITS
1999	0	\$ 6,500	\$ 2,000	\$ 0	\$ 0	\$ 8,500	\$ 0	(\$8,500)	(\$8,500)
2000	1	3,000	190,500	0	0	193,500	0	(193,500)	(202,000)
2001	2	12,500	405,000	0	0	417,500	0	(417,000)	(619,500)
2002	3	12,500	185,000	27,000	0	224,500	18,000	(206,500)	(826,000)
2003	4	0	185,000	27,000	0	212,000	132,800	(79,500)	(905,200)
2004	5	0	0	27,000	0	27,000	132,800	105,800	(799,400)
2005	6	0	0	27,000	0	27,000	132,800	105,800	(693,600)
2006	7	0	0	27,000	0	27,000	132,800	105,800	(587,800)
2007	8	0	0	27,000	0	27,000	132,800	105,800	(482,000)
2008	9	0	0	27,000	0	27,000	132,800	105,800	(376,200)
2009	10	0	0	27,000	0	27,000	132,800	105,800	(270,400)
2010	11	0	0	27,000	0	27,000	132,800	105,800	(164,600)
2011	12	0	0	27,000	0	27,000	132,800	105,800	(58,800)
2012	13	0	0	27,000	0	27,000	132,800	105,800	47,000
2013	14	0	0	27,000	0	27,000	132,800	105,800	152,800
2014	15	0	0	27,000	0	27,000	132,800	105,800	258,600
2015	16	0	0	27,000	0	27,000	132,800	105,800	364,400
2016	17	0	0	27,000	0	27,000	132,800	105,800	470,200
2017	18	0	0	27,000	0	27,000	132,800	105,800	576,000
2018	19	0	0	27,000	0	27,000	132,800	105,800	681,800
2019	20	0	0	27,000	0	27,000	132,800	105,800	787,600
2020	21	0	0	27,000	0	27,000	132,800	105,800	893,400
2021	22	0	0	27,000	0	27,000	132,800	105,800	999,200
2022	23	0	0	27,000	0	27,000	132,800	105,800	1,105,000
2023	24	0	0	27,000	0	27,000	132,800	105,800	1,210,800
2024	25	0	0	27,000	0	27,000	132,800	105,800	1,316,600
2025	26	0	0	27,000	0	27,000	132,800	105,800	1,422,400
2026	27	0	0	27,000	0	27,000	132,800	105,800	1,528,200
2027	28	0	0	27,000	0	27,000	132,800	105,800	1,634,000
2028	29	0	0	27,000	0	27,000	132,800	105,800	1,739,800
2029	30	0	0	27,000	0	27,000	132,800	105,800	1,845,600
2030	31	0	0	27,000	0	27,000	132,800	105,800	1,951,400
2031	32	0	0	27,000	0	27,000	132,800	105,800	2,057,200
2032	33	0	0	27,000	0	27,000	132,800	105,800	2,163,000
2033	34	0	0	27,000	0	27,000	132,800	105,800	2,268,800
2034	35	0	0	27,000	0	27,000	132,800	105,800	2,374,600
2035	36	0	0	27,000	0	27,000	132,800	105,800	2,480,400
2036	37	0	0	27,000	0	27,000	132,800	105,800	2,586,200
2037	38	0	0	27,000	0	27,000	132,800	105,800	2,692,000
2038	39	0	0	27,000	0	27,000	132,800	105,800	2,797,800
2039	40	0	0	27,000	0	27,000	132,800	105,800	2,903,600
2040	41	0	0	27,000	0	27,000	132,800	105,800	3,009,400
2041	42	0	0	27,000	0	27,000	132,800	105,800	3,115,200
2042	43	0	0	27,000	0	27,000	132,800	105,800	3,221,000
2043	44	0	0	27,000	0	27,000	132,800	105,800	3,326,800
2044	45	0	0	27,000	0	27,000	132,800	105,800	3,432,600
2045	46	0	0	27,000	0	27,000	132,800	105,800	3,538,400
2046	47	0	0	27,000	0	27,000	132,800	105,800	3,644,200
2047	48	0	0	27,000	0	27,000	132,800	105,800	3,750,000
2048	49	0	0	27,000	0	27,000	132,800	105,800	3,855,800
2049	50	0	0	27,000	0	27,000	132,800	105,800	3,961,600
TOTAL:		\$34,500	\$967,500	\$1,296,000	\$ 0	\$2,298,000	\$6,259,600	\$3,961,600	-----

**ATTACHMENT NO. 2 (Continued)**

**A SAMPLE CASH FLOW SHEET  
WITH ACCOMPANYING CASH FLOW STREAM DATA**

Cash Flow Stream Data Showing Progression of Work by Year of Project Work:

<b>Year #0</b>	<b>1999</b> <b>Feasibility Study, Engineering and Inspection</b> Engineering & Feasibility Study Aerial Photos <b>Capital Items</b> Land R-O-W Land Appraisal Legal Fees Legal Notices	 \$6,000 500 \$6,500  \$1,000 500 450 50 \$2,000	         <b>\$8,500 – C</b>
<b>#1</b>	<b>2000</b> <b>Engineering and Inspection, Soil Analysis</b> <b>Capital Items</b> Land R-O-W Abstracts Court Appraisal	 \$3,000  \$188,000 2,000 500 \$190,500	        <b>\$193,500 – C</b>
<b>#2</b>	<b>2001</b> <b>Engineering and Inspection</b> Engineering <b>Capital Item</b> Construction Costs	 \$ 12,500  405,000	       <b>\$417,500 – C</b>
<b>#3</b>	<b>2002</b> <b>Engineering and Inspection</b> Engineering <b>Capital Item</b> One-half Recreation Development <b>Operation, Maintenance &amp; Replacement Costs</b> (This is based on the number of Recreation Days at a cost, i.e.: \$1.35/day for O, M & R or \$27,000 annual cost)  <b>Total Value of Project</b> The structure should be completed or near completion so flood damage benefits can be counted; annually.	 \$12,500  185,000  27,000 \$224,500    \$18,000	         <b>\$224,500 – C</b>      <b>\$18,000 – B</b>
<b>#4</b>	<b>2003</b> <b>Capital Items</b> One-half Recreation Development <b>O, M &amp; R Costs (as in year#3)</b>  <b>Total Value of Project</b> Flood Damage Benefits Recreation Benefits (# of days X \$5.74)	 \$185,000 27,000 \$212,000   18,000 114,800 \$132,800	         <b>\$212,000 – C</b>      <b>\$132,800 – B</b>

**ATTACHMENT NO. 2 (Continued)**

## A SAMPLE CASH FLOW SHEET WITH ACCOMPANYING CASH FLOW STREAM DATA

### Cash Flow Stream Data Showing Progression of Work by Year of Project Work:

<b>Year #5</b>	<b>2004</b> <b>O, M &amp; R Costs</b> <b>Total Value of Project</b> Flood Damage Benefits Recreation Benefits	 \$27,000 18,000 114,800 <u>\$132,800</u>	  <b>\$27,000 – C</b>    <b>\$132,800 – B</b>
<b>#6-50</b>	<b>2005-2048</b> <b>O, M &amp; R</b> (\$27,000 multiplied by 45) <b>Total Value of Project</b> Flood and Recreation Benefits (\$132,800 X 45)	 \$1,215,000   \$5,976.600	  <b>\$1,215,000 – C</b>    <b>\$5,976,000 – B</b>

# ATTACHMENT NO. 3

## DEPTH DAMAGE FACTORS FOR RESIDENTIAL STRUCTURES

Damage Begins at Six (6) Feet Below the First Floor

Dept in Feet	CODE NO.							
	01	03	05	60	15	20	25	10
	Damage in % of Total Value							
8.0								
7.0								
6.0				.0	.0	.0	.0	
5.0				25.	2.	2.	2.	
4.0				35.	3.	2.	2.	
3.0				40.	3.	2.	3.	
2.0				42.	3.	3.	3.	
1.0	.0	.0	.0	45.	6.	5.	5.	.0
*.0 (0.1)	8.0	4.	3.	50.	10.	7.	6.	8.
1.0	22.	10.	11.		24.	14.	16.	50.
2.0	30.	16.	20.		31.	21.	22.	71.
3.0	35.	20.	25.		37.	26.	26.	82.
4.0	39.	24.	29.		41.	30.	30.	87.
5.0	41.	27.	31.		44.	33.	32.	89.
6.0	44.	30.	33.		46.	35.	35.	90.
7.0	46.	32.	34.		48.	38.	36.	90.
8.0	48.	34.	41.		49.	40.	44.	
9.0	50.	39.	46.		50.	44.	48.	
10.0		42.	50.		50.	46.	52.	
11.0		45.	53.			47.	55.	
12.0		47.	55.			48.	57.	
13.0		49.	58.			49.	59.	
14.0		50.	59.			50.	59.	
15.0			60.			50.	60.	
16.0						50.	60.	

### Classification

### Code

One story, no basement .....	01
Two or more stories, no basement .....	03
Split level, no basement .....	05
All in basement.....	60
One story, w/basement .....	15
Two or more stories, w/basement .....	20
Split level, w/basement .....	25
Mobile home, on foundation.....	10

\* Indicates first floor

Source: Reprinted from the Federal Insurance Administration, December, 1970.

# ATTACHMENT NO. 4

## DEPTH DAMAGE FACTORS FOR RESIDENTIAL CONTENTS

**NOTE:** To enter this table, use 50% of the Structure Value, i.e.: If a structure is worth \$40,000, use \$20,000; and if Code 43 was used at 4 ft. depth, 68% or \$13,000 could be claimed.

Dept in Feet	CODE NO.								
	27	29	31	33	43	48	53	58	38
Dept in Feet	Damage in % of Total Value								
8.0									
7.0									
6.0					.0	.0	.0		
5.0					60.	4.	3.	.0	
4.0					68.	5.	3.	8.	
3.0					74.	8.	4.	10.	
2.0					78.	8.	5.	10.	
1.0	.0	.0	.0	.0	82.	8.	5.	15.	.0
* .0 (0.1)	5.	5.	1.	2.	85.	21.	10.	18.	3.
1.0	35.	16.	3.	19.		40.	22.	31.	50.
2.0	50.	28.	4.	32.		58.	34.	44.	56.
3.0	60.	37.	5.	41.		70.	43.	52.	72.
4.0	68.	43.	6.	47.		76.	48.	58.	79.
5.0	74.	47.	6.	51.		80.	51.	61.	84.
6.0	78.	49.	6.	53.		82.	52.	63.	87.
7.0	81.	50.	6.	55.		83.	53.	64.	88.
8.0	83.	51.	6.	56.		85.	56.	66.	90.
9.0	85.	55.	10.	62.		85.	59.	69.	90.
10.0		58.	23.	69.		85.	64.	73.	
11.0		65.	47.	75.			71.	76.	
12.0		72.	64.	78.			76.	79.	
13.0		78.	74.	80.			78.	80.	
14.0		79.	81.	81.			80.	82.	
15.0		80.	83.	83.			82.	84.	
16.0		85.	85.	85.			85.	85.	

### Classification

### Code

All on first floor.....	27
All on first two or more floors .....	29
In split level, no basement .....	33
All in basement.....	43
All on first floor and basement.....	48
All on first two or more floors and basement.....	53
All above first floor.....	31
In split level w/basement .....	58
Mobile home, on foundation.....	38

\* Indicates first floor

Source: Reprinted from the Federal Insurance Administration, December, 1970.

**ATTACHMENT NO. 5****DEPTH DAMAGE FACTORS  
FOR  
SMALL BUSINESS STRUCTURES**

Depth in Feet	Damage in % of Total Value			
	Type Structure			
	Brick	Metal	Frame	Concrete Block
1.0	4.	4.	7.	4.
2.0	5.	6.	9.	5.
3.0	6.	7.5	17.	6.
4.0	7.	9.	19.	7.
6.0	10.	12.	27.	10.
8.0	13.	16.	29.	13.
10.0	16.	20.	31.	16.
12.0	20.	25.	32.	20.

**Note:** For large businesses, damage estimates must be arrived at by interview with the owner.



**ATTACHMENT NO. 6****DEPTH DAMAGE FACTORS  
FOR  
SMALL BUSINESS CONTENTS****All on First Floor and Above**

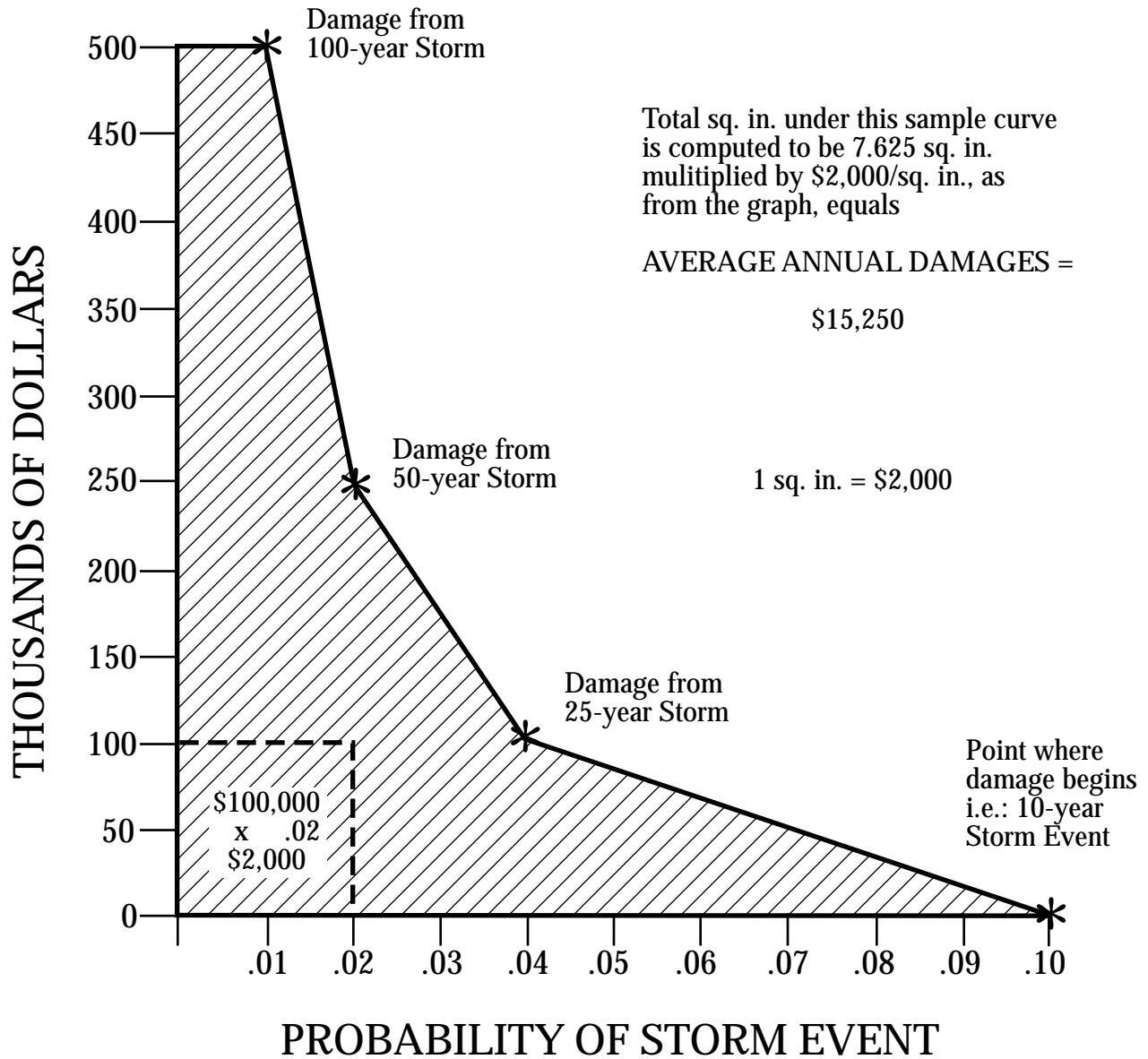
<b>Depth in Feet</b>	<b>Damage in % of Total Value</b>
First 0.0 Floor	.0
0.1	1.2
0.2	2.4
0.3	4.0
0.4	4.8
0.5	7.2
0.6	8.8
0.7	11.6
0.8	13.2
0.9	15.2
1.0	17.6
1.1	19.6
1.2	22.0
1.3	24.4
1.4	27.2
1.5	29.6
1.6	32.8
1.7	36.8
1.8	40.0
1.9	43.6
2.0	47.2
2.1	50.4
2.2	54.0
2.3	57.6
2.4	61.2
2.5	64.8
2.6	68.0
2.7	71.1
2.8	74.0
2.9	77.2
3.0	80.0
3.1	82.1
3.2	85.3
3.3	87.8
3.4	90.2
3.5	92.5
3.6	94.7
3.7	96.8
3.8	98.8
3.9	100.0
4.0	100.0

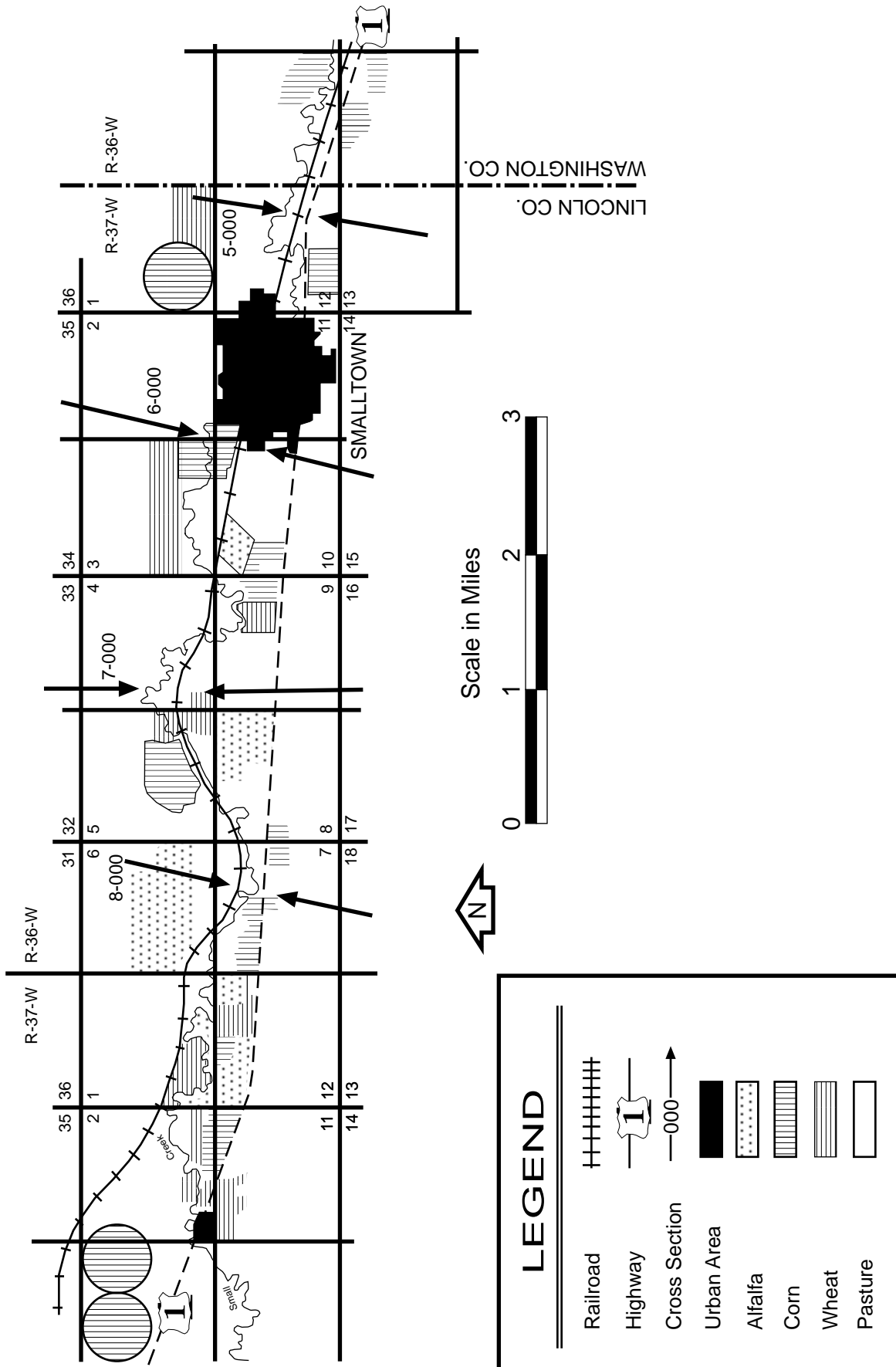
Source: Reprinted from the Federal Insurance Administration, December, 1970.

# ATTACHMENT NO. 7

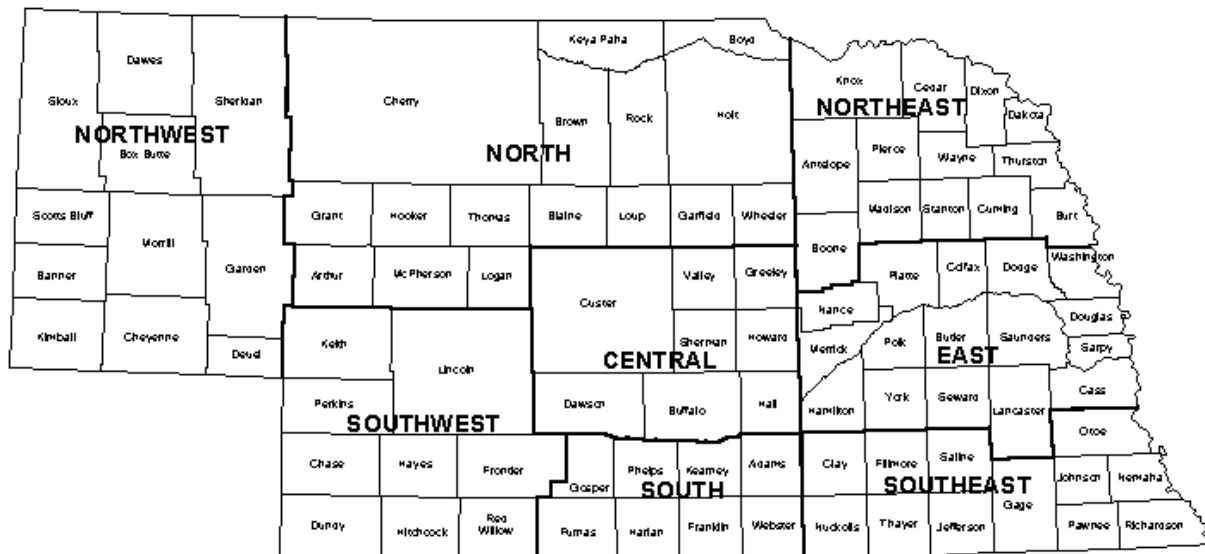
## DAMAGE CURVE - EXAMPLE

### FLOOD DAMAGES UNDER PRESENT CONDITIONS





**CROP YIELDS**  
**FIVE - YEAR AVERAGE YIELDS**  
**FOR CALENDAR YEARS 1994-1998**



		R E G I O N S							
		NORTH- WEST	NORTH	NORTH- EAST	CENTRAL	EAST	SOUTH- WEST	SOUTH	SOUTH- EAST
WHEAT, WINTER	BU/ACRE	37.1	34.2	35.1	40.3	35.6	40.9	42.6	38.0
CORN, IRRIGATED	BU/ACRE	133.5	144.6	148.4	152.1	150.8	152.8	158.0	150.1
CORN	BU/ACRE	51.7	81.4	108.3	90.3	114.4	71.7	96.0	109.0
OATS	BU/ACRE	44.6	52.0	63.2	54.2	60.9	52.3	58.7	59.8
GRAIN SORGHUM, IRRIGATED	BU/ACRE	70.9	79.6	86.4	84.4	102.4	98.5	94.5	103.4
GRAIN SORGHUM	BU/ACRE	42.2	66.7	67.7	71.8	90.8	70.4	83.7	86.8
ALFALFA HAY, IRRIGATED	TON/ACRE	4.49	4.02	4.85	4.69	4.58	4.83	5.22	4.96
ALFALFA HAY	TON/ACRE	1.57	2.30	3.62	3.44	3.72	3.26	3.66	3.53
BEANS, DRY EDIBLE	CWT/ACRE	19.4	18.5	18.1	18.2	18.0	19.1	18.2	18.2
SUGAR BEETS, IRRIGATED	TON/ACRE	18.3	0.0	0.0	0.0	0.0	18.6	0.0	0.0
SOYBEANS, IRRIGATED	BU/ACRE	48.0	51.1	47.7	48.7	49.6	46.2	50.6	50.0
SOYBEANS	BU/ACRE	10.0	34.5	39.0	35.1	40.8	31.9	37.4	38.1
NATIVE HAY	TON/ACRE	0.91	1.12	1.46	1.26	1.68	1.16	1.48	1.45
PASTURELAND (PLANTED GRASS)	AUM/ACRE	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>
RANGELAND	AUM/ACRE	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>	2	<sup>2/</sup>	<sup>2/</sup>	<sup>2/</sup>

<sup>1/</sup> This attachment is revised annually by Commission staff.

<sup>2/</sup> Sponsors should contact their district NRCS office to obtain localized estimates of pasture and range production.

**SOURCE:** Crop yields from Nebraska Agricultural Statistics averaged using Sum of Squares Method.

**COMPOSITE DAMAGEABLE VALUE PER ACRE OF FLOODPLAIN  
– EXAMPLE**

<b>FLOOD PLAIN CROPS</b>	<b>PERCENT OF FLOOD PLAIN</b>	<b>YIELD PER ACRE OF CROP<sup>1/</sup></b>	<b>ADJUSTE YIELDS<sup>2/</sup></b>	<b>PRODUCTION PER FLOOD PLAIN ACRE</b>	<b>VALUE<sup>3/</sup> PER UNIT</b>	<b>DAMAGEABLE VALUE (\$/ACRE)</b>
					(\$)	(\$/Acre)
Corn (Irr.)	46	122.90 bu.	131.50	60.49 bu.	2.72	164.54
Alfalfa (Irr.)	21	4.36 tons	4.67	0.98 tons	59.71	58.50
Wheat	17	35.30 bu.	42.36	7.20 bu.	3.82	27.51
Pasture	12	1.00 A.U.M. <sup>4/</sup>	1.20	.14 A.U.M.	21.01	3.03
Misc.	4	0.00	0.00	0.00	0.00	0.00
	100					253.57

<sup>1/</sup> 1997 Yields from Attachment No. 9 – 7% for Irr. Yields; 20% for Dryland Yields.

<sup>2/</sup> Adjusted to Reflect Productivity of Floodplain Soils.

<sup>3/</sup> 1997 Yields from Attachment No. 10.

<sup>4/</sup> Animal Unit Month

**ATTACHMENT NO. 12**

**CROP DAMAGE FACTORS BY FLOOD DEPTH**

<b>CROP</b>	<b>0-1 FEET</b>	<b>1-3 FEET</b>	<b>3 + FEET</b>
Corn	24.6	50.5	63.3
Grain Sorghum	30.5	47.9	57.7
Wheat	19.5	34.3	41.4
Forage Sorghum	15.6	40.1	51.0
Soybeans	21.2	43.0	52.7
Alfalfa	18.9	31.9	38.8
Pasture	13.3	21.5	26.5

**SOURCE:** The factors are from NRCS guidelines and they include the plus or minus due to farming operations.

## ATTACHMENT NO. 13

### COMPOSITE CROP AND PASTURE DAMAGE RATE – EXAMPLE

CROP	DAMAGEABLE VALUE <sup>1/</sup>	NET DAMAGE AT DEPTH (in feet)					
		0 – 1.0		1.1 – 3.0		3.0 & Over	
	(\$/Acre)	(%)	(\$/Acre)	(%)	(\$/Acre)	(%)	(\$/Acre)
Corn	164.54	24.6	40.48	50.5	83.09	63.3	108.15
Alfalfa	58.50	18.9	11.06	31.9	18.13	38.8	22.70
Wheat	27.51	19.5	5.36	34.3	9.44	41.4	11.39
Pasture	3.03	13.3	0.00	21.5	0.65	26.5	0.00
Miscellaneous	0.00	0.00	0.00	0.0	0.00	0.0	0.00
<b>TOTAL:</b>	253.57		57.30		111.31		139.04

<sup>1/</sup> From ATTACHMENT NO. 11.

## ATTACHMENT NO. 14

### CROP CONDITIONS WITH AND WITHOUT THE PROJECT FOR IRRIGATION BENEFITS

#### Conditions With Project

	A	B	C = A x B	D	E = C - D	F	G = E x F
CROP	PER ACRE YIELD	PER UNIT VALUE	PER ACRE RETURN	PER ACRE PRODUCTION COSTS EXC. LAND COSTS	NET RETURN BY CROP	CROPPING PATTERN %	WEIGHTED AVERAGE RETURN
						Total = Average Per Acre Return With Project	

#### Conditions Without Project

	A	B	C = A x B	D	E = C - D	F	G = E x F
CROP	PER ACRE YIELD	PER UNIT VALUE	PER ACRE RETURN	PER ACRE PRODUCTION COSTS EXC. LAND COSTS	NET RETURN BY CROP	CROPPING PATTERN %	WEIGHTED AVERAGE RETURN
						Total = Average Per Acre Return Without Project	

**Benefits or Value of Irrigation Water = Total Average Per Acre Return With Project - Total Average Per Acre Return Without Project**



**ATTACHMENT NO. 15****RECREATION PARTICIPATION RATES AND PROPORTION PARTICIPATING**

<b>ACTIVITY</b>	<b>PARTICIPATING RATE (AVERAGE NUMBER OF DAYS PARTICIPATED)</b>	<b>PROPORTION OF NEBRASKA POPULATION PARTICIPATING</b>
Tent Camping	6.3	.180
Recreational Vehicle Camping	10.0	.163
Hiking	15.6	.365
Stream and River Fishing	11.3	.187
Lake and Reservoir Fishing	13.1	.364
Power Boating	10.2	.226
Canoeing	5.9	.106
Bicycling	81.1	.496
Picnicking	8.5	.836
Outdoor Pool Swimming	25.2	.454
Beach Swimming	13.5	.391
Water Skiing	8.3	.170
Golf	22.5	.163
Tennis	20.8	.152
Horseback Riding	28.1	.175
Baseball	32.9	.237
Visiting Historic Areas	5.3	.568
Sailing	5.5	.036
Rafting and Other Boating	3.5	.037
Downhill Snow Skiing	4.0	.097
Cross-Country Snow Skiing	5.2	.023
Snowmobiling	9.0	.073
Ice Fishing	4.5	.011
Target Shooting	14.9	.123
Upland Game Hunting	10.1	.171
Waterfowl Hunting	8.2	.055
Big Game Hunting	6.3	.040
Non-Game Hunting	9.4	.050

**SOURCE:** Assessment and Policy Plan 1991-1995, State Comprehensive Outdoor Recreation Plan

**ATTACHMENT NO. 16****RECREATION STANDARDS BY ACTIVITY**

ACTIVITY	NUMBER OF PEAK DAYS	% ACTIVITY ON PEAK DAYS	TURNOVER RATE PER DAY	AVERAGE PARTY SIZE	OTHER
Beach Swimming	12	40%	2.5	2.5	174 parties per acre of beach; 30% of parties in water; 250 sq. ft.
Picnicking	17	60%	2.0	4.0	10 tables per acre urban; 7 tables per acre non-urban; 1 party per table.
Camping	31	50%	1.0	4.0	6 camping units per acre
Fishing	27	30%	1.5	2.5	10 acres per fishing party; 10 anglers per mile of stream.
Power Boating	28	65%	2.0	3.0	10 acres per power boat.
Hiking	26	60%	2.0	2.5	12 parties per mile.
Water Skiing	28	65%	2.0	3.0	20 acres per boat and skier.

**SOURCE:** Assessment and Policy Plan 1991-1995, State Comprehensive Outdoor Recreation Plan

**ATTACHMENT NO. 17**

**POPULATION AND POPULATION DENSITIES FOR NEBRASKA COUNTIES**

**1999**

COUNTY	JULY 1, 1999 POPULATION EST.	LAND AREA	POPULATION PER SQUARE MILE	COUNTY	JULY 1, 1999 POPULATION EST.	LAND AREA	POPULATION PER SQUARE MILE
Adams	29,289	562	52.12	Jefferson	8,288	577	14.36
Antelope	7,243	853	8.49	Johnson	4,548	377	12.06
Arthur	412	704	0.59	Kearney	6,861	512	13.40
Banner	831	738	1.13	Keith	8,877	1,032	8.60
Blaine	575	711	0.81	Keya Paha	952	768	1.24
Boone	6,355	683	9.30	Kimball	4,027	953	4.23
Box Butte	12,674	1,065	11.90	Knox	9,048	1,107	8.17
Boyd	2,520	538	4.68	Lancaster	237,657	845	281.25
Brown	3,499	1,216	2.88	Lincoln	33,866	2,522	13.43
Buffalo	40,249	949	42.41	Logan	895	570	1.57
Burt	7,907	483	16.37	Loup	654	574	1.14
Butler	8,607	582	14.79	McPherson	547	856	0.64
Cass	24,841	555	44.76	Madison	34,184	572	59.76
Cedar	9,612	742	12.95	Merrick	8,052	480	16.78
Chase	4,253	890	4.78	Morrill	5,294	1,402	3.78
Cherry	6,326	5,966	1.06	Nance	4,057	439	9.24
Cheyenne	9,428	1,186	7.95	Nemaha	7,618	400	19.05
Clay	7,094	570	12.45	Nuckolls	5,121	579	8.84
Colfax	10,691	406	26.33	Otoe	14,803	619	23.91
Cuming	9,981	571	17.48	Pawnee	3,087	433	7.13
Custer	11,825	2,558	4.62	Perkins	3,205	885	3.62
Dakota	19,140	255	75.06	Phelps	9,831	544	18.07
Dawes	8,831	1,386	6.37	Pierce	7,945	573	13.87
Dawson	23,277	975	23.87	Platte	30,378	667	45.54
Deuel	1,988	436	4.56	Polk	5,518	432	12.77
Dixon	6,360	475	13.39	Red Willow	11,304	686	16.48
Dodge	35,201	528	66.67	Richardson	9,330	550	16.96
Douglas	446,277	335	1,332.17	Rock	1,690	1,009	1.67
Dundy	2,179	921	2.37	Saline	13,111	575	22.80
Fillmore	6,912	577	11.98	Sarpy	122,495	239	512.53
Franklin	3,677	578	6.36	Saunders	19,260	759	25.38
Frontier	3,157	962	3.28	Scotts Bluff	36,078	726	49.69
Furnas	5,411	722	7.49	Seward	16,435	571	28.78
Gage	22,710	858	26.47	Sheridan	6,423	2,462	2.61
Garden	2,073	1,678	1.24	Sherman	3,470	567	6.12
Garfield	2,015	569	3.54	Sioux	1,424	2,063	0.69
Gosper	2,256	464	4.86	Stanton	6,100	431	14.15
Grant	714	764	0.93	Thayer	6,170	577	10.69
Greeley	2,812	570	4.93	Thomas	809	716	1.13
Hall	51,764	537	96.39	Thurston	7,054	388	18.18
Hamilton	9,566	537	17.81	Valley	4,527	569	7.96
Harlan	3,671	556	6.60	Washington	18,837	386	48.80
Hayes	1,066	711	1.50	Wayne	9,201	443	20.77
Hitchcock	3,366	712	4.73	Webster	3,933	575	6.84
Holt	11,884	2,405	4.94	Wheeler	924	576	1.60
Hooker	689	722	0.95	York	14,392	577	24.94
Howard	6,540	564	11.60				

## ATTACHMENT NO. 18

### RECREATION BENEFIT CALCULATIONS FOR EXAMPLE PROJECT

**STEP 1**      **ESTIMATE POPULATION IN RECREATION MARKET AREA**  
**Population = 58,700**

**STEP 2**      **ESTIMATE TOTAL DEMAND**

RECREATION ACTIVITY	UNITS	POPULATION A (STEP 1)	% POP. PARTICIPATING B (ATT. 14)	PARTICIPATION ACTIVITY RATE C (ATT. 14)	DAY DEMAND IN RMA D = A*B*C	% ACTIVITY ON PEAK DAYS E (ATT 15)	% ACTIVITY ON PEAK DAYS F = D*E	# PEAK DAYS G (ATT. 15)	AVERAGE NO. PER PARTY H (ATT. 15)	TURNOVER RATE I (ATT. 15)	PEAK DAY USE FACTOR J = G*H*I	# PARTIES ON PEAK DAYS AT ONE TIME K = F/I	CARRYING CAPACITY (PARTIES/UNIT) L (ATT. 15)	UNITS NEEDED M = K/L
Picnicking	Tables	58,700.00	0.836	8.50	417,122.205	0.60	250,273	17	4.0	2.0	136.00	1,840.25	1.0	1,840
Fishing	Acres	58,700.00	0.432	15.90	403,198.56	0.30	120,960	27	2.5	1.5	101.25	1,194.66	0.1	11,947
Beachswim-Land	Acres	58,700.00	0.391	13.50	309,847.95	0.40	123,939	12	2.5	2.5	75.00	1,652.52	174.0	7
Beachswim-Water	Acres	58,700.00	0.391	13.50	309,847.95	0.40	123,939	12	2.5	2.5	75.00	1,652.52	174.0	3
Hiking	Miles	58,700.00	0.356	15.60	334,237.80	0.60	200,543	26	2.5	2.0	130.00	1,542.64	12.0	129
Boat-Nonpower	Acres	58,700.00	0.031	7.90	14,375.63	0.65	9,344	28	3.0	2.0	168.00	55.62	0.1	556

## ATTACHMENT NO. 18 (Continued)

### STEP 3 CALCULATE UNMET DEMAND

Recreation Activity	Units	Total Demand A (Step 2, Col. M)	Total Supply B	Unmet Demand <sup>1/</sup>
Picnicking	Tables	1,840	287	1,553
Fishing	Acres	11,947	30	11,917
Beachswim-Land	Acres	7	0.28	7
Beachswim-Water	Acres	3	0.47	3
Hiking	Miles	129	0	129
Boat-Nonpower	Acres	556	30	526

### STEP 4 CAPACITY OF PROPOSED PROJECT

Recreation Activity	Units in Project A (Must Be Less Than Step 3 Col C)	Parties Per Unit B (Att. 15)	Peak Day Use Factor C (Step 2 Col. J)	Activity Days on Peak Days $D = A * B * C$ (Att. 15)	% Activity on Peak Days E	Total Activity Days $F = D / E$
Picnicking	15.00	1.0	136.00	2,040	0.60	3,400
Fishing	34.40	0.1	101.25	348	0.30	1,161
Beachswim-Land	0.33	174.0	75.00	4,307	0.40	10,766
Beachswim-Water	1.60					
Hiking	2.00	12.0	130.00	3,120	0.60	5,200
Boat-Nonpower	34.40	0.1	168.00	578	0.65	889
<b>TOTAL ACTIVITY DAYS = 21,416</b>						

### STEP 5 VALUE OF RECREATION BENEFITS OF PROJECT

Recreation Activity	Total Activity Days A (Step 4 Col. F)	Recreation Days $B = A / 2^2/$	Value Per Recreation Day $C = \text{SEE GUIDELINE}$	Recreation Benefits $C = B * C$
Picnicking	3,400	1,700	\$5.74	\$9,758.00
Fishing	1,161	581	\$5.74	\$3,332.07
Beachswim-Land	10,766	5,383	\$5.74	\$30,899.14
Beachswim-Water	0			
Hiking	5,200	2,600	\$5.74	\$14,924.00
Boat-Nonpower	889	445	\$5.74	\$2,551.74
<b>TOTALS:</b>	<b>21,416</b>	<b>10,708</b>		<b>\$61,464.95</b>

<sup>1/</sup> Activities with negative unmet demand do not count toward project benefits.

<sup>2/</sup> Two Activity Days = 1 Recreation Day

**ATTACHMENT NO. 19**

**INVENTORY OF FACILITIES IN RECREATION MARKET AREA – EXAMPLE**

	BEACH SWIMMING		PICNICKING				
	Acres Water	Acres Land	Tables				
<b>Comunities:</b>							
Norfolk			244				
Clarkson			28				
Leigh			30				
Madison			50				
Battle Creek			20				
Beemer			12				
Carroll			5				
Howells			12				
Stanton			21				
Wayne			35				
Wisner			44				
Columbus			40				
Schuyler			13				
West Point			30				
<b>Recreation Areas:</b>							
Wood Duck							
Yellow Banks							
Pilger Reservoir	.14	.46	20				
<b>TOTALS:</b>	.14	.46	604				
Planned for Project:	.17	.57	70				

# ATTACHMENT NO. 20<sup>1/</sup>

1999

## FARMLAND VALUES

Average Reported Value Per Acre of Nebraska Farmland for Different Types and Grade of Land in Nebraska by Agricultural Statistics District, February 1, 2000

Type of Land & Grade	Agricultural Statistics District (See Map on Attachment No. 9)							
	NORTH - WEST	NORTH	NORTH - EAST	CENTRAL	EAST	SOUTH - WEST	SOUTH	SOUTH - EAST
	----- Dollars Per Acre -----							
Dryland Cropland (No Irrigation Potential)								
Average	331	400	970	648	1,464	434	708	958
High Grade	385	490	1,175	795	1,735	490	865	1,200
Low Grade	220	280	740	505	1,070	350	485	670
Dryland Cropland (Irrigation Potential)								
Average	418	492	1,220	957	1,800	546	1,112	1,187
High Grade	490	600	1,415	1,195	2,035	610	1,275	1,245
Low Grade	335	390	1,000	710	1,365	445	755	790
Grazing Land (Tillable)								
Average	173	275	581	471	731	256	464	588
High Grade	210	345	705	590	850	315	535	685
Low Grade	140	245	475	415	510	225	340	440
Grazing Land (Nontillable)								
Average	137	206	432	365	510	193	333	478
High Grade	160	285	530	425	625	230	375	600
Low Grade	105	180	360	300	425	165	235	340
Hayland								
Average	313	358	539	444	618	350	398	463
High Grade	360	485	655	530	760	505	435	570
Low Grade	235	300	445	345	530	325	255	400
Gravity Irrigated Cropland								
Average	907	1,025	1,696	1,754	2,279	1,325	1,856	1,831
High Grade	1,130	1,325	1,945	1,920	2,525	1,415	2,020	2,060
Low Grade	600	875	1,365	1,190	1,745	1,005	1,260	1,345
Center Pivot Irrigated Cropland <sup>2/</sup>								
Average	750	981	1,609	1,579	2,424	1,192	1,795	1,810
High Grade	890	1,175	1,850	1,785	2,640	1,330	1,910	1,940
Low Grade	530	765	1,265	1,085	1,755	855	1,160	1,285

<sup>1/</sup> This attachment is revised annually by Commission staff.

<sup>2/</sup> Value of pivot not included in per-acre value.

**SOURCE:** 2000 NEBRASKA FARM REAL ESTATE MARKET DEVELOPMENTS SURVEY.  
Department of Agricultural Economics, University of Nebraska-Lincoln

## ATTACHMENT NO. 21

### OPERATION AND MAINTENANCE COSTS

#### NRCS SUGGESTED RATE FOR AVERAGE ANNUAL COSTS

Control Measure	Percentage of Engineers Estimates Of Construction Costs (Excluding Land Prices)
<b>Waterflow Control Measures</b>	
a. Floodwater retarding structures	.75
b. Concrete and asphalt lined channels, reinforced concrete chutes	1.25
c. Levees and dikes, major desilting basins	1.25
d. Channel improvements – floodways	1.50
e. Other	1.75
<b>Drainage Measures</b>	
a. Covered drains and appurtenances	.75
b. Open drains and appurtenances	1.25
<b>Irrigation measures</b>	
a. Water supply reservoirs	.75
b. Canal laterals	1.25
c. Diversion dams and canal headworks	1.75
<b>Non-Agricultural Water Management Measures</b>	
a. Water supply reservoirs	.75

Operation and maintenance costs required on special items such as pumping plants, pipelines, etc. will vary so greatly no attempt is made to provide a rate. Applicants should work closely with persons who are familiar with these special items in developing suitable rates for such facilities.

#### **Recreation Projects** (from Nebraska Game and Parks Commission)

For recreation projects, use \$1.35 per recreation day.



# ATTACHMENT NO. 22<sup>1/</sup>

## LOAN INTEREST RATE

FISCAL YEAR 2000\*

Data Used to Calculate Rate:

FY 1998

FY 1999

FY 2000

<b>1997</b>	JULY	5.24	<b>1998</b>	JULY	5.01	<b>1999</b>	JULY	5.24
	AUG.	5.25		AUG.	5.01		AUG.	5.47
	SEPT.	5.19		SEPT.	4.84		SEPT.	5.56
	OCT.	5.19		OCT.	4.76		OCT.	5.78
	NOV.	5.19		NOV.	4.87		NOV.	5.77
	DEC.	5.03		DEC.	4.83		DEC.	5.82
<b>1998</b>	JAN.	4.88	<b>1999</b>	JAN.	4.85	<b>2000</b>	JAN.	5.91
	FEBR.	4.92		FEBR.	4.80		FEBR.	5.88
	MARCH	5.03		MARCH	4.96		MARCH	5.68
	APRIL	5.00		APRIL	4.89		APRIL	5.60
	MAY	5.04		MAY	5.05		MAY	5.87
	JUNE	4.97		JUNE	5.22		JUNE	5.69

<b>ANNUAL AVERAGE:</b>	5.08		4.92		5.69
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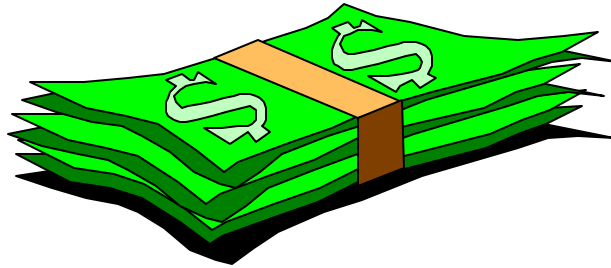
FY 2000 RATE = 36-MONTH AVERAGE = 5.230%

Rounded to nearest 1/8% = 5 2/8%  
or 5 1/4%

<sup>1/</sup> This attachment is revised annually by Commission staff.

SOURCE: Federal Reserve Bulletin – Moody State and Local Aaa Bond Yield.

\* In effect for the period September 1, 2000, through August 31, 2001.

**FINANCIAL FEASIBILITY**

A project is financially feasible if sufficient funds can be made available to complete the project, and if sufficient annual revenues can be obtained to repay the reimbursable costs and operate the project. The law requires projects to be financially feasible, as provided for in the NRDF Rules and Regulations and these Guidelines. If a loan is involved, it requires assurance that adequate O, M, & R will be conducted during the repayment life of the project and that the loan can be repaid.

Financial analysis serves as a planning tool in testing proposed projects for financial feasibility by indicating an upper limit on capital investment. Unless a proposed project can produce sufficient revenue or other income to recover the investment within the specified payment period and at the prescribed payment interest rate, the project normally should be deferred or redesigned to effect necessary reductions in capital cost.

**A. OPERATION AND MAINTENANCE COSTS:**

These are costs that have a continuous or periodic recurrence and are incident to project operations and relate to costs for pumpage, materials and supplies used in maintenance and repair, general labor, and project administration. Total operation and maintenance costs include both fixed and variable costs. A distinction between the two is necessary to determine annual repayment charges to contracting agencies.

1. Fixed costs are those common to the project as an entirety such as administrative overhead expenses, and those that do not depend upon the extent to which project facilities are used.
2. Recurring costs that depend on, and vary with, the extent the project is used are termed variable costs.
3. Replacement costs are recurring costs of replacing facilities or major items of facilities that have an economic life which is shorter than the project repayment period. This cost may appear often within the project repayment period. Replacement costs amount to investment of capital in addition to the original capital cost of a project.

**B. CAPITAL AVAILABILITY**

Financial costs of a project should be given in constant dollars, including engineering and technical contingencies. The sources of the necessary capital costs which are cited need to be specified.

**C. REVENUE AVAILABILITY**

In the determination of sufficient available revenues needed to cover the reimbursable project costs, a demand study is desirable. The purpose of the demand study is to determine revenue derived from prices per unit of project services.

Evaluation of willingness to pay, determined by spot interviews, is limited to the current population of beneficiaries. Since repayments are generally predicated upon future demand for project service, analysis of future services should be made on the basis of historical, future expected economic growth, and the influence of service charges. In the case of urban water supply, this analysis emphasizes review of projections of population growth in relation to the local economic base.

An adequate cash flow must be shown, and revenues must be at least equal to yearly disbursements. In the event that revenues are deficient in this respect, then there must be a reserve fund available to fulfill the obligation.

#### **D. REPAYMENT**

The repayment scheduling is a year-by-year analysis of the agency's or political subdivision's income and expenses of its projects and programs. The analysis shows operation, maintenance and replacement expenditures, payments into a reserve fund, payments of interest, and payments towards the retirement of the debt. The analysis should carry through each year of the repayment period, showing the manner in which project works will be paid. If a development period or build-up period is necessary for quantification of financial feasibility, this aspect is to be accounted for in the repayment analysis. The analysis should be consistent with the estimates of payment capacity determined previously, and should also be consistent with the period of years in which bond are to be issued or other types of financing are to be arranged.

For repayment scheduling, NRC/NRDF Form 02F2 must be completed.

#### **E. FORM 02F1**

For all project Applications and Feasibility Reports, NNRC/NRDF Form 02F1 must be completed.

Completed Form 02F1 and its accompanying information is to be attached to Form 02.

On NRC/NRDF Form 02F1 include the project name and complete the following:

**1. APPLICANT'S MOST RECENT FINANCIAL STATEMENT:**

This is the applicant's most recent financial statement, budget document, or other documentation necessary to illustrate financial solvency of the applicant(s) political subdivision. Only one copy of the application needs to contain this document.

**2. LEGAL LIMIT OF TAXATION BY APPLICANT:**

The limit established by statute, rule and regulation, etc., up to which the political subdivision(s) may levy taxes. Any restriction on the annual rate of increase in taxation should also be noted.

**3. RATE OF TAXATION CURRENTLY BEING LEVIED:**

That rate set and utilized at the current time by the applicant or applicants if more than one.

**4. THE VALUE OF PROPERTY THAT MAY BE LOCALLY TAXED BY THE APPLICANT(S):**

The current valuation of property upon which the taxes are levied.

**5. ANNUAL TAX REVENUE:**

The amount of tax revenue used to carry out the applicant(s) programs during the present year.

**6. TREND OF ACTUAL VALUATION:**

Is it stable, increasing or decreasing? By what percentage?

**7. RATE OF LOCAL DELINQUENCY:**

The annual amount or percentage that would not be expected to be paid or not to be available for utilization by the applicant(s).

**8. LEGAL LIMIT OF REVENUE BOND INDEBTEDNESS:**

That limit of debt in revenue bonds prescribed by law which the applicant may enter into.

**9. PRESENT REVENUE BOND INDEBTEDNESS:**

Self-explanatory.

**10. LEGAL LIMIT OF GENERAL OBLIGATION BOND INDEBTEDNESS:**

That limit of debt in general obligation bonds prescribed by law which the applicant may enter into.

**11. PRESENT GENERAL OBLIGATION BOND INDEBTEDNESS:**

Self-explanatory.

**12. OTHER DEBTS OR FINANCIAL COMMITMENTS WHICH MAY AFFECT THIS PROJECT**

Self-explanatory.

**13. OVERLYING BOND INDEBTEDNESS:**

Describe the sponsor's area of responsibility and its share of debts incurred for other purposes.

**14. EVALUATION OF FINANCIAL STATUS OF AGENCY FROM A FINANCIAL CONSULTING FIRM:**

The latest audit of the applicant. Only one copy of the application needs to contain this document.

**15. IF A LOAN IS REQUESTED, COMPLETE NRC/NRDF FORM 02F2:**

Information required for NRC/NRDF Form 02F2 is as follows:

**A. Income:**

**1. Quantity of Project Services Sold:**

That volume (etc.) of services expected to be sold to a potential consumer(s) or user(s).

**2. Price per Unit:**

The amount of charge for the unit of service or commodity to be provided.

**3. Revenue Expected to be Generated:**

The amount of revenue expected to be returned by the project (annually).

**4. Revenue from Taxes, if any:**

Self-explanatory.

**5. Other Revenues**

Those that may arise from some other aspect of the project

**B. Outgo:**

**1. Operation & Maintenance Expense:**

Those expected funds required to operate and maintain the project (annual cost).

2. **Replacement Cost:**  
That amount offset to a replacement reserve for replacement (annual cost).
3. **Bond Service:**  
If any, include principal and interest.
4. **Loan Service:**  
If any, include principal and interest
5. **Capital Expenditures:**  
If any, offset to a reserve fund.
6. **Other Expenditures:**  
Self-explanatory.

**C. Reserve Funds:**

1. **Reserve for Replacement:**  
Funds that are required to maintain the system operable during the period of analysis.  
This does not include a capital depreciation fund.
2. **Reserve for Bond Service:**  
As required by prospectus.
3. **Contingency Fund for Operation & Maintenance Expense:**  
This limit is to be established based on records shown by profit and loss statement and balance sheet and/or the assessed valuation of the agency and overlying debts. Recognition should be given to the monthly cash flow and/or credit arrangements made for the operating fund. The minimum is two months' Operation and Maintenance expenses plus a Working Fund.
4. **Reserve for Future Construction:**  
To be used when staged construction is an integral part of the project.
5. **Other:**  
Self-explanatory.

Nebraska Department of Natural Resources Nebraska Resources Development Fund <b>FINANCIAL FEASIBILITY DATA</b>	<b>1. PROJECT NAME:</b>	<b>NRC/NRDF Form 02F1 January 2001</b>
<b>MAIL OR DELIVER TO:</b> <b>Administrative Coordinator</b> <b>Nebraska Resources Development Fund</b> <b>Department of Natural Resources</b> <b>4<sup>th</sup> Floor–State Office Building</b> <b>301 Centennial Mall South</b> <b>P.O.Box 94676</b> <b>Lincoln, Nebraska 68509-4676</b>		
1. Applicant's most recent financial statement (ATTACH) <input type="checkbox"/>		
2. Legal Limit Of taxation by applicant (ATTACH) <input type="checkbox"/>		
3. Rate of taxation currently being levied. (ATTACH) <input type="checkbox"/>		
4. The value of property that may be locally taxed by the applicant(s). (ATTACH) <input type="checkbox"/>		
5. Annual tax revenue.		
6. Trend of actual valuation		
7. Rate of local delinquency.		
8. Legal limit of general obligation bond indebtedness. (ATTACH) <input type="checkbox"/>		
9. Present revenue bond indebtedness. (ATTACH) <input type="checkbox"/>		
10. Legal limit of general obligation bond indebtedness. (ATTACH) <input type="checkbox"/>		
11. Present general obligation bond indebtedness. (ATTACH) <input type="checkbox"/>		
12. Other debts or financial commitments which may affect this project (ATTACH) <input type="checkbox"/>		
13. Overlying bond indebtedness. (ATTACH) <input type="checkbox"/>		
14. Evaluation of financial status of agency from a financial consulting firm. (ATTACH) <input type="checkbox"/>		
15. If a loan is requested, complete NRC/NRDF Form 02F2.		

<b>Nebraska Department of Natural Resources</b> <b>Nebraska Resources Development Fund</b> <b>FINANCIAL FEASIBILITY DATA</b>	<b>1. PROJECT NAME:</b>	<b>NRC/NRDF</b> <b>Form 02F2</b> <b>January 2001</b>
<b>MAIL OR DELIVER TO:</b> <b>Administrative Coordinator</b> <b>Nebraska Resources Development Fund</b> <b>Department of Natural Resources</b> <b>4<sup>th</sup> Floor–State Office Building</b> <b>301 Centennial Mall South</b> <b>P.O. Box 94676</b> <b>Lincoln, Nebraska 68509-4676</b>		
<b>A. INCOME:</b>		
1. Quantity of project services sold:		
2. Price per unit::		
3. Revenue expected to be generated:		
4. Revenue from taxes, if any:		
5. Other revenue:		
<b>B. OUTGO:</b>		
1. Operation & maintenance expense:		
2. Replacement expense:		
3. Bond Service:	<u>Principal</u>	<u>Interest</u>
4. Loan Service:	<u>Principal</u>	<u>Interest</u>
5. Capital expenditure:		
6. Other expenditure:		
<b>C. RESERVE FUNDS:</b>		
1. Reserve for replacement:		
2. Reserve for Bond Service:		
3. Contingency fund for O & M expense:		
4. Reserve for future construction:		
5. Other:		
<p>The exact form of a repayment schedule will be set forth in a contract between the applicant and the Nebraska Natural Resources Commission. Contained in the schedule will be time of payent, amounts, and other necessary requirements to protect both the applicant and the Commission.</p>		

## ENVIRONMENTAL ACCEPTABILITY



A project is considered to be environmentally acceptable when the plan of development minimizes any adverse impacts on the natural environment, adequately addresses existing cultural resources and will not jeopardize the continued existence of any threatened or endangered species or destroy or modify its critical habitat. In addition to any proposed mitigation measures, if applicable, all aspects of the proposed project which can be anticipated to result in environmental enhancement or environmental degradation shall be considered in determining whether the plan of development minimizes adverse impacts. To assist the Director in determining environmental acceptance, the applicant will demonstrate the probable environmental and ecological consequences of the project by addressing all areas of study identified on the environmental acceptance NRC/NRDF Form 02Ev1.

## NRC/NRDF FORM 02Ev1

## COMPLETION INSTRUCTIONS

Additional sheets may be used to continue a particular section of this form.

1. **Description of the Proposed Action:** A general description of the project area and its land and water resources; project facilities; and potential future land use in the project area.
2. **Description of the Environment:**
  - a. **General Description:** Include site location, climatic information, site characteristics, zoning information, and general topographic setting of project area. A map of the area is to be included.
  - b. **Soils and Geology:** Information gained in the technical feasibility report may be used here. The section should include a description of the soil profile(s) and the characteristics of the soil(s) present. These characteristics should support subsequent statements relating to the environmental impact of the project.
  - c. **Vegetative Elements:** The major plant communities are to be identified and described. Dominant species should be identified along with any threatened or endangered species.
  - d. **Fish and Wildlife Elements:** Principal fish and wildlife species and their habitats should be identified and described. Threatened and endangered species and their habitats are to be addressed as well. This information can be obtained from the Game and Parks Commission along with species identified as part of Nebraska's Natural Heritage Program.
  - e. **Hydrology:** Drainage basin information, surface water characteristics, groundwater characteristics, wetlands, size of pool(s), and design size of structures are to be included.
3. **Environmental Impact of Proposed Action:**
  - a. **Acquisition Impacts:** The extent to which acquiring the said property may affect private and public ownership of land, relocation of families and farmsteads, and possible future developmental trends.



- b. **Construction Impacts:** The impacts of construction activity as it affects soil and geological resources, vegetation, fish and wildlife habitat, water quality, and air quality.
  - c. **Recreational Development Impacts:** The extent to which recreation development will affect the site itself and the surrounding area. Impacts such as traffic, noise, dust, and conflicts with adjoining private lands should be discussed.
  - d. **Inundation Impacts:** Consequences of inundation, both favorable and unfavorable.
- 4. **Mitigation Measures:** Explain those measures proposed to replace features which may be lost or degraded due to construction of the project. Wildlife habitat plantings, grass seedings, fish habitat structures, acquisition/preservation of similar habitat, and cultural resources recovery are examples of mitigation measures.
- 5. **Adverse Effects Which Cannot Be Avoided:** Include any effects of the project which cannot be avoided such as: Increased noise during construction; removal of vegetation; loss of wildlife habitat; degradation of water quality and hydrological changes.
- 6. **Relationship between Short-term Use and Long-term Productivity:** Describe these aspects of the project as appropriate.
- 7. **Irreversible or Irretrievable Commitment of Resources:** Identify what natural resources will be committed and therefore not available for other uses, e.g. inundation of a stream reach or farm land.
- 8. **Alternatives to the Proposed Action:** Identify any feasible alternatives and provide a general description of the environmental impacts associated with those alternatives.
- 9. **Consistency with Other Planning:** The extent to which the project is consistent with or contributes to the fulfillment of comprehensive planning for the state or locality.
- 10. **Prime Farmland:** Identify any prime farmland that will be either adversely or beneficially affected. Prime farmland is that land so defined in the modern soil surveys of the Natural Resources Conservation Service. The identification is to include a description of the soils, and the size and location of the area involved. A map which shows the prime farmland should also be included.
- 11. **Provisions of the 1985 Food Security Act and Subsequent Farm Bills:** The Natural Resources Conservation Service is to be contacted regarding the possibility of any wetlands or other waters being affected by the proposed project. If it is determined that any wetlands may be affected by the project, the appropriate landowners are to be notified and further action is to be discussed with the NRCS and the Corps of Engineers.
- 12. **Unique Scenic, Archeological, and Historical Resources:** Clearance is to be included for those areas of archeological, historical significance and unique scenic resources. If a cultural resources survey of the area is required by the Director, it will be reimbursed at the same rate as other eligible project features. The following procedure will be used to determine the need for cultural resources surveys in NRDF projects:
  - I. Sponsor submits project proposal to NRC.
  - II. Project proposal sent to Environmental Committee for review.
  - III. Environmental Committee members review project proposal. Representative from State Historical Society (SHS) addresses need for cultural resources surveys and submits a letter to committee chairman stating whether a survey is needed or there is inadequate information to make a decision on the need for a survey.

- IV. The Environmental Committee considers the need for a cultural resources survey. If they determine that one should be conducted, they include that recommendation in the action they take on the project proposal.
- V. The Director can require that a cultural resources survey be conducted by the project sponsor in his action on the project proposal.
- VI. If required to conduct the survey, the project sponsor sees that it is done during the one-year period that the sponsor has to complete the application and feasibility report.
- VII. Sponsor submits application, feasibility report, and cultural resources survey report to NRC.
- VIII. Above documents sent to Environmental Committee for review.
- IX. The environmental Committee includes any appropriate recommendations in the action it takes on the project application. If the committee feels the cultural resources aspect of the project application has not been properly addressed, it may recommend that the project is environmentally unacceptable.

**13. Threatened or Endangered Species and the Critical Habitat of any Such Species:** Particular attention should be directed to threatened and endangered species and their critical habitat. This pertains to plant as well as fish and wildlife species. Although consultation by the Natural Resources Commission with the Game and Parks Commission is required, the results of any additional communication or consultation between the applicant and the Game and Parks Commission are to be included. If the proposed project is federally assisted, the federal action agency is required to consult with the U.S. Fish and Wildlife Service under Section 7 of the Endangered Species Act of 1973.

**14. Necessary Permits or Authorization:** Any federal, state or local permits or authorizations needed to carry out the project are to be identified. See Appendix E – Legal Data.

<b>Nebraska Department of Natural Resources Nebraska Resources Development Fund ENVIRONMENTAL ACCEPTABILITY</b>		<b>1. PROJECT NAME:</b>	<b>NRC/NRDF Form 02Ev1 January 2001</b>
<b>MAIL OR DELIVER TO: Administrative Coordinator Nebraska Resources Development Fund Department of Natural Resources 4<sup>th</sup> Floor–State Office Building 301 Centennial Mall South P.O. Box 94676 Lincoln, Nebraska 68509-4676</b>			
<b>1. Description of the proposed action:</b>			
<b>2. Description of the environment:.</b>		<b>(ATTACH) <input type="checkbox"/></b>	
<b>3. Environmental impact of proposed action:</b>		<b>(ATTACH) <input type="checkbox"/></b>	
<b>4. Mitigation measures:</b>			
<b>5. Adverse effects which cannot be avoided:</b>			

**6. Relationship between short-term use and long-term productivity:**

**7. Irreversible or irretrievable commitment of resources:**

**8. Alternatives to the proposed action:**

(ATTACH) ☐

**9. Consistency with other planning:**

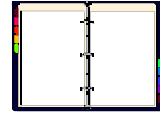
**10. Prime farmland:**

**11. Provisions of the 1985 Food Security Act and subsequent farm bills:**

**12. Unique scenic archeological and historical resources:**

**13. Threatened or endangered species and the critical habitat of any such species:**

## LEGAL DATA

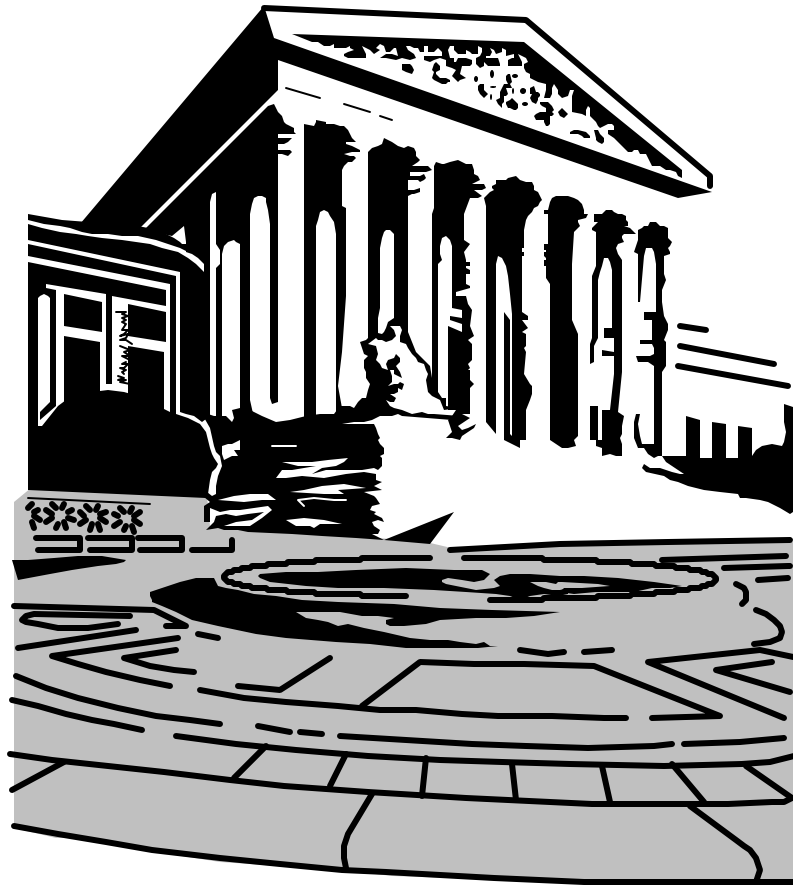
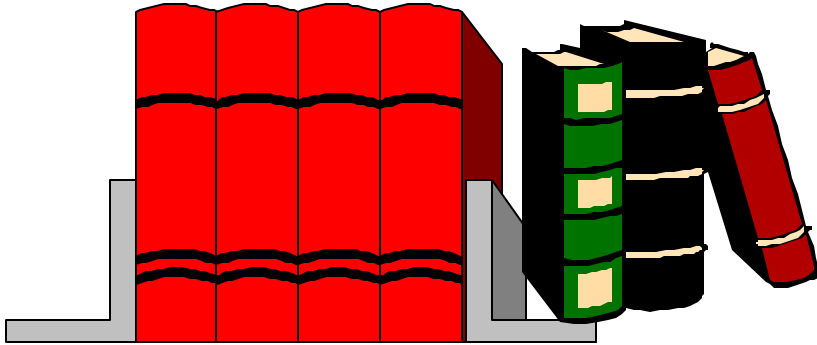


Legal data submitted by the applicant in the feasibility report shall include the following:

- a. Citation(s) to the legal authorities relied upon by the applicant to undertake or participate in the proposed program or project.
- b. An explanation, with appropriate documentation of legal authorities of the applicant's intention to finance that part of the project or program for which assistance from the Fund is not requested.
- c. A showing that the applicant has or can acquire all necessary land rights and water rights.
- d. Copies of any available proposed or executed contracts for construction or consultant services necessary for construction of the proposed program or project and included as part of the total cost of the project.
- e. A listing of any permits, licenses, or other approvals required for the proposed project, their current status, and estimated schedule for compliance.

These permits may include, but are not restricted to the following:

1. U.S. Army Corps of Engineers Section 404 Permit for the placement of dredged or fill material in waters of the United States.
  2. Nebraska Department of Environmental Quality NPDES permit for the discharge of stormwater from construction sites of 5 acres or more.
  3. Nebraska Department of Water Resources water rights, storage rights, or storage use rights.
  4. Necessary changes in county or local zoning for the project site.
  5. Local floodplain development permits.
  6. Any other local subdivision (NRD, township, county, municipal) permits relating to environmental issues or involving water, land, or air resources. County boards must agree with the closing of any county roads necessitated by a project.
- f. An explanation of the sponsor's plan to require consultants, contractors, and sub-contractors to obtain liability insurance or bonding to ensure the proper design and construction of the project.
  - g. An analysis of the sponsor's potential liability for damages from the project, including dam failure, overflow, or seepage of water and an explanation of the sponsor's plan to protect itself from any such liability.
  - h. A certified copy of a resolution of the applicant requesting financial assistance from the Nebraska Resources Development Fund and containing the finding that the applicant cannot finance the project from other available state or federal sources.
  - i. Any other information, plans, and specifications requested by the DNR considered necessary for an adequate understanding of the project.
  - j. A notarized statement of the applicant executed by the applicant's official representative that the facts contained in the application are true and correct to his or her best knowledge and belief.



**TIMETABLE FOR ACTION ON RESOURCES DEVELOPMENT FUND PROJECTS**

**I. PURPOSE**

This policy statement is adopted for the purpose of providing the Commission with adequate information on projects for which assistance from the Resources Development Fund has been requested and for the further purpose of providing the Commission with sufficient time for a thorough consideration of such projects prior to reaching a decision on their eligibility for such assistance and on the type and level of any such assistance.

**II. POLICY**

- (1) Formal Commission consideration of the eligibility of a project for financial assistance from the Resources Development Fund will normally not occur until the second meeting of the Commission following receipt of the recommendations of the Director of Natural Resources. Exceptions to this policy will be approved only if it can be demonstrated to the satisfaction of the Commission that the accomplishment of the purposes of such a project will be seriously jeopardized if more expeditious action is not taken.
- (2) At the first meeting following submission of the recommendations of the Director of Natural Resources, the Commission shall be briefed regarding all relevant aspects of the project. Such briefing shall include an explanation of the purposes of the project, the method(s) in which such purposes would be accomplished, the timetable and total costs for completion of the project, and the findings and recommendations of the Director of Natural Resources. In preparing for any such briefing, the Commission staff shall consult and coordinate with the project sponsor and shall request that a representative of such sponsor appear before the Commission to participate in such briefing. In the absence of Commission action to the contrary, such project shall thereafter be referred to the Program Committee for consideration prior to the next regular meeting of the Commission.
- (3) Following the Commission briefing and prior to Committee action on a project, a delegation of Commission members shall tour the project area with a representative(s) of the project sponsor and report their findings to the Committee.

This policy statement was adopted by the Natural Resources Commission on the 17<sup>th</sup> day of May, 1990, and was reaffirmed by the Commission on the 30<sup>th</sup> day of October, 1997.

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Chairman, Nebraska Natural  
Resources Commission

**ATTEST:**

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Director of Natural Resources

**DETERMINATION OF COST-SHARE RATES FOR  
NEBRASKA RESOURCES DEVELOPMENT FUND PROJECTS****I. PURPOSE**

This policy statement is intended to provide the Commission and local project sponsors with guidance regarding how Nebraska Resources Development Fund cost-share rates are determined for projects that are found eligible for state funding assistance through the Fund.

**II. POLICY**

It is the policy of the Natural Resources Commission that the determination of cost-share rates for Nebraska Resources Development Fund projects be accomplished in accordance with the following provisions:

- (1) Due to the diversity of Resources Development Fund projects and the many factors that can be associated with them, the determination of appropriate cost-share rates for individual projects should continue to be made on a case-by-case basis. Factors that may be relevant to cost-share rates include but are not limited to the following:
  - (a) Project purpose(s) – The type and number of project purposes relate to the extent of public benefit. A recreation project, for example, will generally benefit a greater number of people from a larger geographical area than most flood control projects. On the other hand, the recreation benefits may be of lesser individual value. A multi-purpose project will generally provide a greater extent of benefit to a greater number of people, both local and non-local, than a single-purpose project. If a project only provides benefits to a localized area, it follows that a significant local contribution would be appropriate.
  - (b) The proportion of public benefit versus private benefit. Private benefit can be determined by the extent that specific beneficiaries are identifiable, and by the ability to collect from those identified beneficiaries.
  - (c) The sponsor's ability and intent to utilize funding sources other than the NRDF. The amount and proportion of all private and public funds – local, state, and federal – being used should be considered.
  - (d) The inability of a project sponsor to fund its own reasonable share of project costs. The proper local contribution should first be determined apart from the sponsor's ability to pay. Then the sponsor's ability should be assessed and state funds increased as necessary to make up for a real inability to pay, not just an unwillingness by the sponsor or the beneficiaries to use their own funds to pay their proper share.
  - (e) Projects with a relatively short life expectancy, such as 10 or 15 years, may be less deserving of a high level of grant funding than long-lived projects.
  - (f) Flood control projects can serve to make floodplain land more readily developable for residential, commercial, or industrial development. Since private benefit is generally associated with such development, a loan and/or a reduced level of grant funding may be appropriate in such cases.
  - (g) Flood control projects can serve to modify or eliminate the requirement for general flood insurance. When this occurs, the individual property owners may be relieved of the need to purchase flood insurance or may realize a reduction in the amount of their premiums for flood insurance. Due to this local cost savings, a loan and/or reduced level of grant funding may be appropriate.



**DETERMINATION OF COST-SHARE RATES FOR  
NEBRASKA RESOURCES DEVELOPMENT FUND PROJECTS**  
(Continued)

- (2) A subcommittee of the Program Committee will serve as a liaison between the Director of Natural Resources and the Commission during the project review process. The committee's purposes shall be to assist the Director in developing his or her recommendation of an appropriate level of Nebraska Resources Development Fund funding and the Commission in its understanding of the Director's recommendation.
- (3) The Director should provide sponsors with an indication of the approximate level or tentative range of funding assistance to be recommended as early in the project review process as possible. This should be done following review of the project proposal or, in the event a direct application is submitted, following the Commission staff's initial review of the application.

This Policy Statement was adopted by the Natural Resources Commission on the 27<sup>th</sup> day of January, 1987, and was revised by the Commission on the 30<sup>th</sup> day of October, 1997.

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Chairman, Nebraska Natural  
Resources Commission

**ATTEST:**

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Director of Natural Resources

## POLICY STATEMENT VIII

## OPERATIONS

### MINIMUM LAND TREATMENT STATE FUNDED WATER IMPOUNDMENTS

#### I. PURPOSE

The Nebraska Natural Resources Commission (NNRC) manages the Resources Development Fund, the Small Watersheds Flood Control Fund, and the Nebraska Soil and Water Conservation Fund with authority granted by state statutes. The following policies are adopted for the purpose of prolonging the useful life of water storage structures, enhancing water quality, and limiting construction costs. The term “*adequately treated*” as used in the following policies means land where the calculated soil loss is at or below the tolerable limit as listed in Appendix C of the Nebraska Erosion and Sediment Control Program. Soil losses shall be figured using the Revised Universal Soil Loss Equation or other procedures deemed acceptable by the Natural Resources Conservation Service.

Exceptions to this policy may be granted by the Commission if it determines that the policy is impractical because of the size of the drainage area above the reservoir or other technical reasons, but in no case shall it be less than 50 percent.

#### II. POLICY

- (1) The policy of the NNRC shall be to allow Soil and Water Conservation Fund cost-sharing on practice NC-3, Water Storage Reservoirs, only where 75 percent or more of the land in the drainage area above the structure is adequately treated at the time of reservoir construction.
- (2) Except in those P.L. 566 Watershed projects where the sponsor has adopted a lesser standard the policy of the NNRC shall be to allow the use of Resources Development Funds and Small Watersheds Flood Control Funds for the purchase of land rights for water storage structures only in those NRDs which require a minimum of 75% of the land in the drainage area above the structure to be adequately treated prior to reservoir construction.
- (3) When a Resources Development Fund project includes a water storage structure as a project feature, it shall be the policy of the NNRC to establish, as part of their approval action, a minimum level of adequately treated land in the drainage area before state funds can be used for either construction of the structure or land rights for the structure. Except in instances where, in the judgment of the NNRC, technical considerations such as soil type, size of drainage area, uses of the reservoir, or other considerations support a lesser standard, the level of adequately treated land will be 75 percent.

This Policy Statement was adopted by the Natural Resources Commission on the 8<sup>th</sup> day of December, 1988, and was revised by the Commission on the 30<sup>th</sup> day of October, 1997.

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Chairman, Nebraska Natural  
Resources Commission

#### ATTEST:

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Director of Natural Resources

## **POLICY STATEMENT IX**

## **OPERATIONS**

### **CRITERIA FOR ALLOCATION OF GRANTS AND LOANS FOR RESOURCES DEVELOPMENT FUND PROJECTS**

#### **I. PURPOSE**

This Policy Statement is intended to provide local project sponsors, the Commission and the Director of Natural Resources with guidance in applying those provisions of the statutes and the rules and regulations which are used to determine whether a grant or a loan can be made.

#### **II. POLICY**

- (1) An allocation from the Resources Development Fund may be made in the form of a grant if the program or project or separable portion thereof will provide general public benefits extending beyond the area for which funding from local sources is appropriate..
- (2) If as a result of statutory limitations on local funding sources, the repayment of a loan in the amount of eligibility would be infeasible, an allocation in the form of a grant may be made in lieu of all or a portion of the loan allocation.
- (3) No allocation will be made in the form of a grant or loan unless it is determined that the program or project or separable component thereof is ineligible for alternative sources of funding reasonably comparable to those available from the Resources Development Fund.

This Policy Statement was adopted by the Natural Resources Commission on the 17<sup>th</sup> day of May, 1990, and was reaffirmed by the Commission on the 30<sup>th</sup> day of October, 1997.

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Chairman, Nebraska Natural  
Resources Commission

#### **ATTEST:**

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Director of Natural Resources

## POLICY STATEMENT X

## OPERATIONS

### COSTS INCURRED PRIOR TO DETERMINATION OF PROJECT ELIGIBILITY

#### I. PURPOSE

This Policy Statement is to specify conditions for reimbursement of costs incurred by a project sponsor prior to the Commission declaring the project eligible for funding.

#### II. POLICY

- (1) Costs incurred prior to submission of a project proposal or prior to submission of a full application and feasibility report when no project proposal is submitted shall not be eligible for reimbursement or for inclusion in total project costs.
- (2) To the extent approved by the Commission as part of total eligible project costs, costs incurred by an applicant after the submission of a project proposal and for the purpose of preparing a full application and feasibility report may be reimbursed or may be included in total project costs for the purpose of satisfying in part the required percentage of local funding.
- (3) Other costs incurred by an applicant subsequent to its first submission to the Director, whether by project proposal or full application and feasibility report, but prior to a determination of the project's eligibility, will not be eligible for reimbursement, but may be included in total project costs for the purpose of satisfying in whole or in part the required percentage of local funding if the following conditions are met:
  - (a) It is later determined by the Director that all other relevant criteria were satisfied and that such costs would have been eligible for reimbursement at the appropriate rate had they been incurred after the determination of eligibility;
  - (b) The project applicant notified the Director in writing of its plans to proceed with such portions of the project and documented its reasons for proceeding at that time;
  - (c) The Director has reviewed and approved the final plans for any portions involving construction in accordance with Chapter 4, Section 010 of the rules and regulations; and,
  - (d) The Director was granted the opportunity to inspect any construction in accordance with Chapter 4, Section 014 of the rules and regulations.

This Policy Statement was adopted by the Natural Resources Commission on the 17<sup>th</sup> day of May, 1990, and was revised by the Commission on the 30<sup>th</sup> day of October, 1997.

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Chairman, Nebraska Natural  
Resources Commission

#### ATTEST:

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Director of Natural Resources

## POLICY STATEMENT XI

## OPERATIONS

### PROJECT COST INCREASES

#### I. PURPOSE

This policy statement is intended to provide local project sponsors, the Commission, and the Director of Natural Resources with guidance regarding Nebraska Resources Development Fund assistance for cost overruns incurred by the sponsors of approved projects.

The Commission recognizes that cost overruns can occur during project development for a variety of reasons and can be associated with a specific project component or with an entire project. Reasons include but are not limited to:

- (1) Inaccurate cost estimates in the project application and feasibility report;
- (2) Project upgrading by the sponsor between the feasibility report and final design;
- (3) Changes made during final design by the sponsor or other planning agency;
- (4) Construction bids higher than the engineer's estimate;
- (5) Change orders during construction due to soils, geology, etc.;
- (6) Inflation during the course of project development; and,
- (7) Variance from construction schedule.

#### II. POLICY

- (1) Project sponsors are to notify the Director of Natural Resources of any anticipated cost overruns as soon as they are recognized. The Director will inform the Commission and may call upon the sponsor to discuss the circumstances at the next regularly-scheduled Commission meeting.
- (2) Any cost overruns on a project or specified component thereof resulting from changes made or authorized by the sponsor without the prior consent of the Commission or the Director of Natural Resources will not be eligible for cost-share assistance.
- (3) The Commission will consider all other cost overruns or schedule changes on a case-by-case basis. The factors associated with the overruns will be analyzed and the Commission will determine the appropriate level of cost-share for those cost overruns it considers to be eligible for additional NRDF assistance.

This Policy Statement was adopted by the Natural Resources Commission on the 2<sup>nd</sup> day of May, 1991, and was reaffirmed by the Commission on the 30<sup>th</sup> day of October, 1997.

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Chairman, Nebraska Natural  
Resources Commission

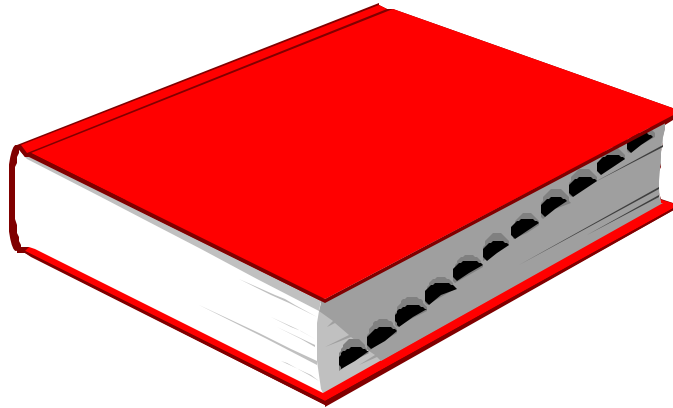
#### ATTEST:

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Director of Natural Resources

## SECTION FIVE

## DEFINITIONS



As used in these Guidelines, the terms listed below shall have meanings as noted:

- (1) **Act**  
“*Act*” shall mean Sections 2-1586 to 2-1595, R.R.S. 1943, and all amendments thereto.
- (2) **Applicant**  
“*Applicant*” shall mean any state agency or political subdivision applying for financial assistance under the Act.
- (3) **Associated Costs**  
Extra costs incurred individually by primary beneficiaries (above those they would incur in absence of a project to realize their benefits in full). These added costs are deducted from the gross primary benefits attributable to a project. Examples of associated costs are:
  1. Costs incurred by a farmer in distributing project water from his headgate to his lands, including costs of any new on-farm irrigation systems.
  2. Costs of private farm investment and farm operation under project conditions to convert to new cropping patterns or different operating methods, including increased costs for livestock, buildings, machinery, equipment, and local government services.

In most cases, the method of benefit measurement automatically takes into account added cost to a primary beneficiary of realizing his benefits. Where this is true, associated costs are not computed separately or otherwise employed in the analysis.
- (4) **Benefits Attributable to a Project**  
The difference in net values under estimated future conditions with and without a project.
- (5) **Commission**  
“*Commission*” shall mean the Nebraska Natural Resources Commission created pursuant to Section 2-1504, R.R.S. 1943, and amendments thereto.

- (6) **Director (DNR)**  
“*Director*” shall mean the Director of Natural Resources as provided in Section 2-1504.03, R.R.S. 1943.
- (7) **Drainage**  
To rid the land of its superfluous moisture by adopting or improving natural watercourses and supplementing them, when necessary, by ditches or other artificial means.
- (8) **Enhancement**  
Improvement of conditions for fish and wildlife, making more or better habitat than under natural or non-project conditions, and resulting in increased populations of fish and wildlife. Enhancement also results from provision of new habitat where none existed before.
- (9) **Flood Control**  
  1. A reduction in the amount of water which escapes from a stream or other natural drainageway and inundates or overflows adjacent land area; or,
  2. A reduction in the amount of land area overflowed by water escaping from a stream or other natural drainageway.
- (10) **Flood Damage**  
Partial or complete destruction of goods, property, services, or health resulting from flood waters. Losses are calculated at the point of first impact.
- (11) **Fund**  
“*Fund*” shall mean the Nebraska Resources Development Fund created by Section 2-1587, R.R.S. 1943.
- (12) **General Benefits**  
Benefits that cannot be identified, appropriated, claimed as the property of, or subject to assessment by some particular agency or group of agencies.
- (13) **Governing Body**  
“*Governing Body*” shall mean the individual group or individuals which are empowered by law to govern the business of an applicant.
- (14) **Intangible Benefits**  
Benefits, either primary or secondary, that cannot be expressed in monetary terms.
- (15) **Land Enhancement**  
Net increase in market value of land in the flood zone, as limited by the land value at valid alternative sites where land is not a constraint.
- (16) **Mitigation**  
Measures taken, or facilities constructed and operated, to compensate for loss of fish and wildlife resources resulting from water development. Examples are provisions for a fish hatchery to compensate for lost spawning areas, or the installation of a valve in a dam to maintain instream flow below the structure.
- (17) **Political Subdivision**  
“*Political Subdivision*” shall mean any political subdivision of the State of Nebraska to which has been granted the authority to develop water and related land resources, including but not limited to a Natural Resources District, irrigation district, reclamation district, county and any municipal corporation, village, or city, whether operating under home rule charter or under the general laws of the State of Nebraska.
- (18) **Preservation**  
Measures necessary to protect existing fish and wildlife resources and to maintain natural fish and wildlife habitat.

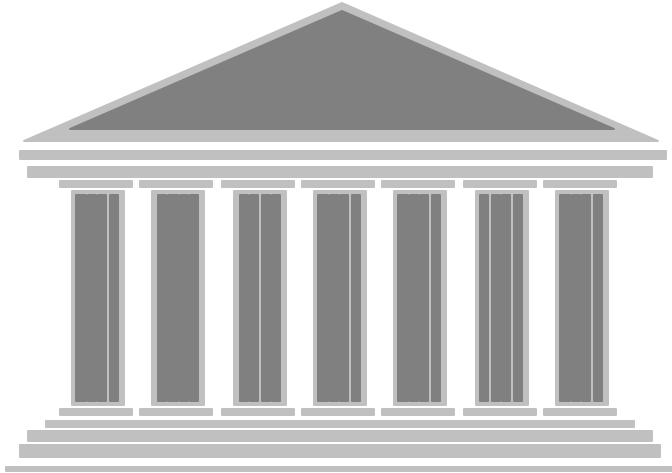
- (19) **Primary Benefits**  
Net values attributable to a project due to increases in products and services and/or due to reductions in costs, damages, or losses of primary beneficiaries.
- (20) **Primary Beneficiaries**  
Those who use goods and services directly resulting from a project.
- (21) **Primary Tangible Flood Control Benefits**  
Immediate values that residents, businesses and other enterprises within a project area derive as a result of flood control measures, either through avoiding direct costs and losses or through increased net income made possible by opportunities for more economic activity.
- (22) **Prime Farmland**  
“*Prime Farmland*” is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops and is also available for their production. The land could be cropland, pastureland, rangeland, forest land or other land, but not urban built-up land or water.
- (23) **Program and/or Project**  
“*Program and/or Project*” shall mean any structural or non-structural undertaking for which assistance from the Fund is requested. Unless the context otherwise requires, no distinction is intended between such terms and they may be used interchangeably for purposes of administration of these rules and regulations.
- (24) **Project Benefits**  
Net values of goods and services produced by the project and by activities stemming from or induced by the project after deducting all non-project economic costs (associated and secondary) involved.
- (25) **Project Costs**  
All monetary expenditures incident to construction and operation of a project, including:
1. All monetary expenditures by units of federal, state, and local government necessary to establish and operate a project, and
  2. Cost of any auxiliary facilities, such as distribution and drainage works, access roads, or recreation structures constructed and operated by local agencies.
- (26) **Project Engineer or Project Director**  
“*Project Engineer or Project Director*” shall mean any engineer, engineering firm, or other person, persons, or firm retained by the sponsor to provide professional engineering or other professional or technical services during the planning, design, and construction of the project.
- (27) **Rate-of-Return on Investment**  
The discount rate applied to future benefits and costs over the project life period at which costs and benefits become equal and the net present worth of the project cash flow is zero.
- (28) **Secondary Benefits**  
Net values that accrue to persons other than primary beneficiaries as a result of economic activity induced by or stemming from a project.
- (29) **Special Benefits**  
Benefits that can be identified, appropriated, claimed as the property of, or subject to assessment by some particular agency or group of agencies.



- (30) **Sponsor**  
“*Sponsor*” shall mean the state agency or political subdivision primarily responsible for the development, administration, operation, and maintenance of a program or project for which assistance from the Fund is requested.
- (31) **State Agency.**  
“*State Agency*” shall mean any agency, board, commission, or other office of state government to which has been granted the authority to develop the state’s water and related land resources.
- (32) **Tangible Benefits**  
Benefits, either primary or secondary, that can be expressed in monetary terms.

## SECTION SIX

## RULES AND REGULATIONS



## SECTION SIX

## RULES AND REGULATIONS

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## TITLE 256 NNRC — ADMINISTRATION OF THE RESOURCES DEVELOPMENT FUND

### Chapter 1 – GENERAL PROVISIONS

**001 Purpose and Effect of Rules.** These rules and regulations are adopted for the purpose of carrying out the provisions of Sections 2-1586 to 2-1595, R.R.S. 1997. Under no circumstances shall these rules and regulations be construed as a limitation or restriction upon the exercise of any proper discretion that is vested in either the Director of Natural Resources Commission, nor shall they in any event be construed to deprive the Director or the Commission of any exercise of powers, duties and jurisdiction conferred by law, nor to limit or restrict the amount or character of data or information which may be required for the proper administration of Sections 2-1586 to 2-1595, R.R.S., 1997.

**002 Definitions.** As used in these rules and regulations, the terms listed below shall have the meanings noted:

**002.01 Act.** “*Act*” shall mean Sections 2-1586 to 2-1590 and 2-1592 to 2-1595, R.R.S. 1997, and any and all amendments, additions, or deletions which may be made thereto;

**002.02 Applicant.** “*Applicant*” shall mean any state agency or political subdivision applying for financial assistance under the Act;

**002.03 Commission.** “*Commission*” shall mean the Nebraska Natural Resources Commission created pursuant to Section 2-1504, R.R.S. 1997;

**002.04 Director.** “*Director*” shall mean the Director of Natural Resources as provided in Section 2-1504.03, R.R.S. 1997;

**002.05 Fund.** “*Fund*” shall mean the Nebraska Resources Development Fund created by Section 2-1587, R.R.S. 1997;

**002.06 Governing Body.** “*Governing Body*” shall mean the individual or group of individuals which are empowered by law to govern the business of an applicant;

**002.07 Intangible Benefits.** “*Intangible Benefits*” shall mean benefits, either primary or secondary, that cannot be expressed in monetary terms;

**002.08 Political Subdivision.** “*Political Subdivision*” shall mean any political subdivision of the State of Nebraska to which has been granted the authority to develop water and related land resources, including, but not limited to a natural resources district, irrigation district, public power and irrigation district, reclamation district, county, and any municipal corporation, village, or city, whether operating under home rule charter or under the general laws of the State of Nebraska;

**002.09 Primary Benefits.** “*Primary Benefits*” shall mean net values attributable to a project of increases in products and services and of reductions in costs, damages, or losses of primary beneficiaries;

**002.10 Program and/or Project.** “*Program and/or Project*” shall mean any structural or non-structural undertaking for which assistance from the Fund is requested. Unless the context otherwise requires, no distinction is intended between such terms and they may be used interchangeably for purposes of administration of these rules and regulations.

**002.11 Project Engineer or Project Director.** “*Project Engineer or Project Director*” shall mean any engineer, engineering firm, or other person, persons or firm retained by the sponsor to provide professional engineering or other professional or technical services during the planning, design, and construction of the project;

**002.12 Secondary Benefits.** “*Secondary Benefits*” shall mean net values to persons other than primary beneficiaries as a result of economic activity induced by or stemming from a project;

**002.13 Sponsor.** “*Sponsor*” shall mean the state agency or political subdivision primarily responsible for the development, administration, operation and maintenance of a program or project for which assistance from the Fund is requested;

**002.14 State Agency.** “*State Agency*” shall mean any agency, board, commission or other office of state government to which has been granted the authority to develop the state’s water and related land resources;

**02.15 Tangible Benefits.** “*Tangible Benefits*” shall mean benefits, either primary or secondary, that can be expressed in monetary terms.

**003 Types of Assistance.** Eligible applicants for financial assistance from the Fund may receive such assistance in the form of grants, loans, or through the direct acquisition by the state of interests in eligible programs and projects. The form of assistance which may be allocated to a program or project shall be determined utilizing the following criteria:

**003.01 Grants.** Allocations from the Fund may be made as grants to applicants when it is determined that such an allocation will not be reimbursed from revenue or receipts and when the program or project, or separable portion thereof, appears to be of general public benefit thereby making reimbursement of such money from local tax funds inappropriate or impossible, or when the funds are intended for a state or local contribution to a program or project requiring such contribution to meet the requirements for a matching federal grant. If only a portion of the project meets the above criteria, only that portion will be eligible for a grant. In determining the appropriateness of a grant the considerations of the Director and the Commission shall include the extent of the area over which the anticipated benefits will accrue and whether equitable distribution of the costs of the program or project can be accomplished without a grant.

**003.02 Loans.** Allocations may be made from the Fund as loans to applicants for any program or project or any part thereof consistent with the purposes of the Act which will directly generate revenue or receipts or which can be anticipated to culminate in a program or project which will generate revenue or receipts, or which would not generate revenue or receipts but would be of general public benefit to the applicant making repayment from local tax funds appropriate.

**003.03 Acquisition of State Interests.** Interests in water and related land resources projects may be acquired by the Commission in the name of the state with moneys from the Fund when the public benefits obtained from the project or a part thereof are statewide in nature and when associated costs are determined to be more appropriately financed by other than a local organization. The Commission may also acquire interests in water resources projects in the name of the state to meet future demands for usable water.

**003.04 Allocations to State Agencies.** No grant or loan shall actually be made to state agencies for programs or projects determined to be eligible for funding unless:

**003.04A** The allocation is for the purpose of reserving land for a future resource development project, or;



**003.04B** The allocation has been approved by the Legislature by earmarking appropriations to the Fund for that purpose.

**004 Eligible Projects.** Moneys from the Fund may be used to

- (a) participate in locally sponsored projects;
- (b) participate in projects sponsored or financially assisted by the federal government; and,
- (c) finance state-sponsored projects.

The types of projects and programs eligible for funding and the respective forms of such funding are as follows:

**004.01 Structural Measures.** Structural measures which may be eligible for allocations from the Fund in the form of grants and/or loans include measures designed for flood control; pollution abatement; fish and wildlife enhancement and preservation; outdoor recreation, irrigation development; irrigation rehabilitation; groundwater recharge; water supply for any beneficial use including domestic, agricultural, and manufacturing uses; streamflow augmentation; stream bank stabilization; and erosion and sediment control.

**004.02 Non-Structural Measures.** Non-structural measures which may be eligible for financial assistance from the Fund in the form of grants and/or loans include: Flood damage reduction; fish and wildlife enhancement and preservation; outdoor recreation; reservation of lands for future resources development projects; and other water and related land resources programs. Projects whose primary purposes are research or data gathering shall not be eligible for assistance.

**005 Interest Rate.** The rate of interest payable on loans from the Fund shall be determined annually prior to October 1 of each fiscal year. Except as otherwise provided herein, such rate of interest shall be computed by averaging the yields, as determined by the "Moody's" rating and classification system, of Aaa State-Local Bonds issued nationally for the three previous fiscal years and by rounding off such average to the nearest one-eighth percent. For loans for the rehabilitation or betterment of surface water irrigation projects, the Commission may reduce the rate of interest to not less than three percent if

- (1) the amount of the loan is \$500,000 or less;
- (2) the repayment period is ten years or less;
- (3) the project sponsor has not previously received a reduced interest loan from the Fund; and,
- (4) the Director and the Commission determine that the proposed project will make water available for public use or will provide other public benefits.

The rate of interest payable on a loan for a specific program or project shall be the rate in effect for the fiscal year in which the Director recommends approval of the program or project for a loan allocation. Such rate shall remain in effect throughout the repayment period determined to be appropriate for such program or project.

**006 Deferred Interest.** When, in the Commission's judgment, a construction or preconstruction period (not exceeding five years next following the initial allocation) is justified, no payment on the interest or principal on such loans is required during that period, but interest shall begin accruing on all loan allocations immediately with disbursement. Repayment shall commence no later than one full year following completion of project construction. Any deferred interest may be apportioned over the repayment period. The repayment period will not exceed the project life or fifty years, whichever is less.

## **TITLE 256 NNRC — ADMINISTRATION OF THE RESOURCES DEVELOPMENT FUND**

### **Chapter 2 – APPLICATION PROCEDURES AND REQUIREMENTS**

**001 Filing Fees.** No filing fee is required to accompany any project proposal or any application for assistance under the Act.

**002 Filing Location** All project proposals, applications or other documents or instruments supplied by an applicant in connection with a request for financial assistance from the Fund shall be filed with the Director.

**003 Application Procedure**. It is recommended that each formal application for financial assistance from the Fund be preceded by a Project Proposal. An applicant may include the cost to the applicant of the feasibility report, the contents of which are specified by section 2-012 as a portion of the project costs of any project for which funding in an amount of less than \$100,000 is requested. Such cost may also be included as a portion of the project costs of any project for which funding in excess of \$100,000 is requested if, and only if, a project proposal has been previously submitted.

**004 Information Required in Project Proposal.** If the applicant decides to submit a Project Proposal, twenty-five copies shall be filed unless otherwise directed by the Director. The Project Proposal shall include the following information:

**004.01** Name and address of applicant;

**004.02** Applicant's authorized representative and his name and address;

**004.03** A description of the proposed project and the desired accomplishments;

**004.04** The primary purpose of the proposed project;

**004.05** Other purposes of the proposed project;

**004.06** A statement of urgency and need for the proposed project;

**004.07** The applicant's most recent financial statement or budget document;

**004.08** The estimated costs of the project;

**004.09** The expected benefits from the proposed project;

**004.10** The anticipated funding or other assistance from other sources;

**004.11** The type and approximate amount of state assistance to be requested;

**004.12** A discussion of probable environmental effects which shall include the applicant's plans to determine the potential impact of the proposed project on any threatened or endangered species or the critical habitat of any such species. Copies of any applicable correspondence with the Game and Parks Commission shall be included, if available.

**004.13** The estimated schedule of construction of the project;

**004.14** A discussion of alternatives for accomplishing the purpose of the project; and,

**004.15** An indication whether liability insurance or contractor bonding will be required.

**005 Details of Project Proposals.** The information required in Project Proposals shall be in such detail as directed by the Commission and Director. Appropriate guidelines for assistance in Project and Program Proposal preparation shall be prepared and distributed to all state agencies or political subdivisions expressing a need for such assistance.

**006 Omissions in Project Proposal.** If the Commission desires additional information on a Project Proposal, it will so notify the applicant. If the Director determines that a Project Proposal is not complete, or if additional information is required, the Director will notify the applicant of such omissions. The applicant shall be expected to correct any such omission or provide any additional information requested within 60 days following notification.

**007 Review by Commission and Director.** Upon receipt of a properly completed Project Proposal, the Director shall review it forthwith, make a preliminary evaluation, and advise the Commission within 90 days:

- (1) that the Director recommends the Sponsor be authorized to proceed with preparation of a formal application and feasibility report; or
- (2) that, based upon the submitted proposal, the Director does not recommend the Sponsor prepare an application and feasibility report. The reasons for any negative recommendation shall be stated.

If the Director recommends proceeding, he or she shall also indicate the type of funding for which the project may be eligible and a cost-share range within which a funding recommendation is probable if the project is later determined to be eligible for funding. The Director may make any additional recommendations regarding the contents of the formal application and feasibility report he or she deems appropriate. Any such recommendations shall be forwarded to the Sponsor by the Commission. Upon receipt of the Director's recommendations, the Commission shall advise the applicant:

- (1) that it is authorized to proceed with preparation of a formal application and feasibility report; or
- (2) that it is recommended that an application and feasibility report not be prepared; the reasons for a negative recommendation shall be stated.

**008 Public Hearing and Notification.** Except for projects requesting less than \$100,000 from the Fund, the applicant shall conduct at least one public hearing on all aspects of the proposed project or program prior to submission of the formal application and feasibility report. Notice of the hearing shall be provided to the general public by the publication, at least ten days prior thereto, in a newspaper or newspapers of general circulation within the project or program area. A copy of such notice will be provided to the Director. Information gained from the hearing, including a summary of testimony presented, is to be forwarded with the application.

**009 Time to Complete Formal.** Upon notice by the Commission of its findings on the Project Proposal, the Applicant shall be given a period of one year to complete a formal application and feasibility report. If an application is not completed within one year, or within such additional time as the Commission may grant for good cause shown, the Commission may request the filing of a new Project Proposal.

**010 Form of Formal Application and Feasibility Report.** Applicants for financial assistance from the Fund shall file twenty copies of an application and feasibility report. Such application shall contain a specific request for each type of assistance applied for in a specified amount. The contents of such application and feasibility report shall include all items required by sections 2-011 to 2-018 unless otherwise directed by the Director. Feasibility reports shall be prepared at the initial expense of the applicant and with the assistance of licensed engineers, financial consultants, economists, recreation planners, wildlife specialists, or other consultants if deemed necessary by the Director following his or her evaluation of the Project Proposal. Costs of preparation of the feasibility report incurred by the applicant may be included if consistent with section 2-003.

**011 Contents of Formal Application.** Except to the extent that such information has previously been indicated through submission of a Project Proposal, the formal application shall include the following information:

**011.01** A cover letter from the applicant submitting the feasibility report, the contents of which are specified by section 2-0012;

**011.02** The name and address of the applicant's authorized representative;

**011.03** An outline of the initial development and background of the project;

**011.04** An explanation of the need and urgency of the project;

**011.05** A description of project goals and purposes;

**011.06.** A general discussion of alternative plans considered including a comparison of the technical, economic, and environmental aspects of each alternative with the plan chosen; and

**011.07** A statement whether money from other sources is available or has been sought.

**012 Contents of Feasibility Report.** Contents of the feasibility report are to be of sufficient detail to demonstrate the technical, economic and financial feasibility, as well as the legal soundness, of the proposed project. Additionally, the expected positive and adverse environmental and ecological consequences of the project shall be therein demonstrated. The extent of detail necessary in the feasibility report will depend upon the type, purpose, and complexity of the project. Upon completion of any project proposal review, the Director will, to the extent deemed necessary advise the applicant as to:

**012.01** The criteria utilized to evaluate the technical, economic, financial, legal, and environmental aspects of the project;

**012.02** The informational detail to be contained in the feasibility report.

### **013 Technical Feasibility**

**013.01** A structural project shall be considered technically feasible when it can and will be designed, constructed, and operated to accomplish the purpose(s) for which it was planned utilizing accepted engineering and other technical principles and concepts. Technical data and information to be provided in the feasibility report should include, but is not limited to, the following:

**013.01A** A detailed discussion of the plan of development selected for the project;

**013.01B** A description of all field investigations made to substantiate the feasibility report;

**013.01C** Maps, drawings, charts, tables, etc., used as a basis for the feasibility report;

**013.01D** A description of the water and land rights associated with the project and pertinent water supply and water quality information, if appropriate;

**013.01E** A detailed discussion of each component of the final plan preparation including, when applicable:

**013.01E1** Required geologic investigation;

**013.01E2** Required hydrologic data;

**013.01E3** Design criteria for final design including, but not limited to, soil mechanics, hydraulic, hydrologic, structural, embankments and foundation criteria.

**013.02** A non-structural project shall be considered to be technically feasible when it can and will be designed and carried out to accomplish the purpose(s) for which it was planned. Data necessary to establish the technical feasibility should include, but is not limited to the following:

**013.02A** A detailed discussion of the plan of development designed for the project, including techniques to be utilized in all aspects of the project

**013.02B** A description of field or research investigations utilized to substantiate the project conception;

**013.02C** A description of the water and/or land rights necessary for project continuation, if applicable;

**013.02D** A discussion of the anticipated effects, if any, of the proposed project upon the development and/or operation of existing or envisioned structural measures including a brief description of any such measure.

**014 Economic Feasibility.** Except as otherwise specified by subsection 014.04 or subsection 014.05 of this section, a project is economically feasible if primary, tangible benefits exceed project costs. In addition, for projects for which \$100,000 or more is requested from the Fund, each project's purpose in a multi-purpose project must provide benefits equal to or greater than its separable or specific cost as specified by the Director and there must be no known means of accomplishing the same purpose or purposes more economically. The Director and the Commission may also require that separable project features or increments have benefits which equal or exceed their costs. All costs and benefit data reported by the applicant will be based upon current data and sources for all data must be documented. Certain commodity prices, recreation benefit prices, and wildlife prices will be prescribed by the Director. The Director may also prescribe other cost and benefit information necessary for completion of the feasibility report. The period of analysis for economic feasibility studies shall be fifty (50) years or the life of the project, whichever is less.

**014.01 Cost Information.** The report shall include all relevant cost information including, but not limited to, all actual or anticipated costs for the feasibility study, the engineering and

inspection costs, capital construction costs, annual operation and maintenance costs, and annual replacement costs. Cost information shall also include the estimated construction period as well as the estimated project life.

**014.02 Benefit Information.** Only primary tangible benefits may be counted in providing the monetary benefit information. In a multi-purpose project, the benefits will be estimated for each purpose and displayed by year for the project life. Intangible and secondary benefits of the proposed project or program should be described for consideration and evaluation by the Director and the Commission. Benefit measurement techniques and criteria shall be provided to the applicant by the Director.

**014.03 Cash Flow Stream.** All benefit and cost data will also be presented in a table form to indicate the annual cash flow for the life of the project, not to exceed 50 years. A form for so indicating the annual cash flow shall be supplied by the Director.

**014.04 Rate-of-Return on Investment.** The cost and benefit data expressed in the cash flow stream will be utilized by the Director to calculate the rate-of-return on the investment. The rate-of-return on the investment is the discount rate applied to future benefits and costs at which costs and benefits become equal and the net present worth of the project cash flow is zero. The Commission may prescribe a minimum rate-of-return for a project to be considered economically feasible.

**014.05 Other Methods.** In the case of proposed programs or projects for which there is no generally accepted method for calculation of primary, tangible benefits, the economic feasibility of such program or project shall be demonstrated by such method as the Director and the Commission deem appropriate.

**015 Financial Feasibility.** A project is financially feasible if sufficient funds can be made available to complete the project, and if sufficient annual revenues can be obtained to repay the reimbursable costs and to operate, maintain, and replace the project. When a loan is involved, financial feasibility requires assurance that the projects can be adequately operated, maintained, and replaced and that the loan can be repaid during the repayment life of the project. Financial data supplied by the applicant shall include the applicant's most recent financial statement, budget document or other documentation necessary to illustrate the following:

**015.01** The legal limit of the rate of taxation by the applicant and the rate currently being levied;

**015.02** The limit of property that can be locally taxed by the applicant;

**015.03** The level and trend of actual valuation;

**015.04** The rate of local delinquency;

**015.05** The legal limit of revenue and general obligation bond indebtedness;

**015.06** Any debts, including bonded indebtedness and those resulting from contractual or other obligations.

If a loan is requested, applicant shall also supply a complete year-by-year repayment schedule in such detail as directed by the Director.

**016 Environmental Acceptance.** A project is considered to be environmentally acceptable when:

**016.01** The Director has found that the project will not jeopardize the continued existence of any threatened or endangered species or result in the destruction or modification of the critical habitat of any such species; and

**016.02** The plan of development minimizes, in a manner satisfactory to the Director, any adverse impacts on the natural environment and adequately addresses existing cultural resources.

In addition to any proposed mitigation measures, if applicable, all aspects of the proposed project which can be anticipated to result in environmental enhancement shall be considered in determining whether the plan of development does minimize adverse impacts. To assist the Director in determining environmental acceptance, the applicant will demonstrate the probable environmental and ecological consequences of the project by addressing all areas of study identified on the environmental acceptance form (NRC/NRDF Form 02Ev1)

**017 Federally Assisted Projects.** When assistance from the Fund is requested for participation in a project planned by an agency of the federal government, the federally prepared plan of work can be submitted by the applicant for the purpose of complying with Sections 2-013, 2-014, and 2-016 and shall be submitted at the request of the Director. The Director does, however, reserve the right to reject all or a portion of any such plan of work on the grounds that the information provided therein is insufficient or inadequate for full evaluation of the proposed project's eligibility for assistance from the Fund.

**018 Required Legal Data.** The applicant shall assure the Director and the Commission that all legal requirements have or can be met prior to the allocation of any funds for the proposed program or project. Legal data submitted by the applicant in the feasibility report shall include the following:

**018.01** Citation(s) to the legal authorities relied upon by the applicant to undertake or participate in the proposed program or project.

**018.02** An explanation, with appropriate documentation of legal authorities, of the applicant's intention to finance that part of the project or program for which assistance from the Fund is not requested.

**018.03** A showing that the applicant has or can acquire all necessary land rights and water rights.

**018.04** Copies of any available proposed or executed contracts for construction or consultant services necessary for construction of the proposed program or project and included as part of the total cost of the project.

**018.05** A listing of any permits, licenses, or other approvals required for the proposed project, their current status, and estimated schedule for compliance.

**018.06** An explanation of the sponsor's plan to require consultants, contractors, and subcontractors to obtain liability insurance or bonding to ensure the proper design and construction of the project.

**018.07** An analysis of the sponsor's potential liability for damages from the project, including dam failure, overflow, or seepage of water and an explanation of the Sponsor's plan to protect itself from any such liability.

**018.08** A certified copy of a resolution of the applicant requesting financial assistance from the Commission and containing a finding that the applicant cannot finance the project from other available state or federal sources.

**018.09** Such other information, plans, and specifications as are requested by the Director or the Commission and which are reasonably necessary for an adequate understanding of the project.

**018.10** A notarized statement executed by the applicant's official representative that the facts contained in the application are true and correct to this or her best knowledge and belief.

**019 Omissions in Application.** If an application submitted to the Director is not complete or if additional information is required, the Director will so notify the applicant. If the application is not completed within 90 days after the notice, unless the Director extends this time for good cause shown, the Director will return the application to the applicant without making any findings on the application and without prejudice to the submission of a new application at any future time.

**020 Use of Commission Data.** Any pertinent data of the Commission made available to applicants for use in preparing applications and feasibility reports will be furnished at cost.



## **TITLE 256 NNRC — ADMINISTRATION OF THE RESOURCES DEVELOPMENT FUND**

### **Chapter 3 – ACTION BY THE DIRECTOR**

**001 Review and Report by the Director.** On receipt of a completed application and feasibility report required by Chapter 2 of these rules and regulations, the Director shall review the application and feasibility report and shall within six months of receipt prepare a report containing his or her findings and recommendations with respect to the application and will file such report with the Commission. Copies of the Director's report will be furnished to the applicant. The Director's report shall include the following items:

**001.01** A recommendation of approval or rejection of the program or project for funding eligibility.

**001.02** If approval is recommended, a recommendation that the allocation be made in the form of a grant, loan, acquisition of state interest, or combination thereof.

**001.03** If a program or project is recommended for loan assistance, a recommendation of the appropriate repayment period.

**001.04** A recommended degree of assistance for each type of allocation recommended by the Director which shall be developed with assistance from a subcommittee of the Commission's Program Committee.

**001.05** Any conditions which the Director recommends be placed on project design, construction, operation, or maintenance to ensure the consistency of the project with the Act and with other state policies, plans and programs.

**002 Committee Findings and Public Hearings.** To assist the Director in making his or her review and report, the Director may refer the application and feasibility report, or any parts thereof, to such review committees as he or she may establish. In addition, the Director may, at his or her discretion, conduct one or more public hearings at such location(s) as he or she shall choose for the purpose of receiving public testimony on all aspects of the proposed program or project. The record of any such public hearing shall constitute a part of the Director's report to the Commission.

**003 Considerations in Passing on Applications.** In passing on applications, the Director shall consider:

**003.01** The needs of the area to be served by the program or project and the benefit to be received from the program or project by the area served.

**003.02** The availability of revenue to the applicant from all sources.

**003.03** Whether the program or project is of such general public benefit that state financial assistance is justified.

**003.04** The relationship of the program or project to the overall statewide water and related land needs.

**004 Required Findings of Fact.** Prior to making any report to the Commission recommending approval of a program or project for funding eligibility, the Director shall make the following findings of fact:

**004.01** The plan does not conflict with any existing Nebraska State land plan.

**004.02** The proposed program or project is technically, economically, and financially feasible based upon standards contained within these rules and regulations or otherwise adopted and supplied to the applicant by the Commission.

**004.03** The plan for development of the proposed program or project is satisfactory.

**004.04** The plan of development minimizes any adverse impact on the natural environment.

**004.05** The applicant is qualified, responsible, and legally capable of carrying out the program or project.

**004.06** In the case of a loan, the borrower has demonstrated the ability to repay the loan, and there is assurance of adequate operation, maintenance, and replacement during the repayment life of the project.

**004.07** The plan considers other plans and programs of the state in accordance with the provisions of Sections 84-135, Reissue Revised Statutes of Nebraska, 1994, and resources development plans of the political subdivisions of the state.

**04.08** The project will not jeopardize the continued existence of any threatened or endangered species or result in the destruction or modification of the critical habitat of any such species.

## **TITLE 256 NNRC — ADMINISTRATION OF THE RESOURCES DEVELOPMENT FUND**

### **Chapter 4 – COMMISSION ACTION AND REQUIREMENTS**

**001 Action on the Report of the Director.** Unless the Commission requests additional information from the applicant, it shall no later than its second regular meeting following submission of the report by the Director, act to approve or reject the findings of fact made by the Director pursuant to Section 3-004 and the recommendations of the Director; provided, however, that no action shall be taken until a delegation composed of Commission members has visited the project site and reported the results of its tour to the Commission or the appropriate committee of the Commission. Action on recommendations made by the Director pursuant to subsections .01 and .02 of Section 3-001 shall be in accordance with such recommendations unless action to the contrary is approved by each Commission member eligible to vote on the specific recommendation under consideration. A Commission member shall be ineligible to participate in the action of the Commission concerning an application for a grant or loan only if such member of the governing body or otherwise represents the applicant for financial assistance. All Commission members shall be eligible to vote on programs and projects involving state acquisition of interests in projects pursuant to Section 2-1590, R.R.S., 1997. If the Commission determines, following review of the application, feasibility report, and the Director's report, that the proposed program or project is eligible for financial assistance from the Fund, the Commission shall determine a tentative dollar figure for such assistance. Tentative allocations shall also be established for each separable component of the project, as determined in accordance with section 4-007. In establishing its tentative allocations, the Commission may take into consideration the recommendations of the Director pursuant to subsection .04 of section 3-001, the nature of the project and the factors associated with it, the total amount of money available in the Fund, and the number of an total tentative dollar allocations for other programs and projects previously determined eligible. No tentative grant allocation shall exceed an amount equal to seventy-five percent (75%) of the portion of the estimated project costs which the local sponsor would be required to provide if financial assistance from the Fund was not available. The Commission may vary the maximum allowable cost-share rate for different categories of projects. No tentative loan allocation or combination loan and grant allocations shall exceed an amount equal to ninety percent (90%) of such portion of the estimated project costs.

**002 Project Totals Exceeding Balance in Fund.** Although the total of previously approved allocations exceeds the amount of funds then available in the Fund, the Commission may approve the eligibility of additional projects and establish tentative dollar allocations for such projects if such projects are otherwise eligible for financial assistance and if such approval and tentative allocations are otherwise consistent with state law. Notwithstanding any such approval, a sponsor shall not under any conditions be entitled to reimbursement for any project costs until funds have been apportioned and set aside in accordance with sections 4-008 or 4-009 for reimbursement of costs incurred by the sponsor on such project. Costs paid, accrued or authorized by a sponsor prior to funds being set aside for such projects and costs paid, accrued or authorized by a sponsor for portions of project development in excess of those portions for which funds have been set aside, including application and engineering costs, shall be incurred at the risk of the sponsor and such sponsor shall not be entitled to reimbursement of such costs at any time without specific Commission approval for such reimbursement of such costs at any time without specific Commission approval for such reimbursement. Such costs may, however, be used by the sponsor to satisfy in whole or in part the sponsor's share of the total costs of the project if funds for remaining project costs are later apportioned and set aside for such project in accordance with sections 4-008 or 4-009.

**003 Annual Availability of Funds.** Regardless of the status of the Fund at the time of Commission approval of the eligibility of a project, the extent, if any, to which financial assistance will be provided to such project in any one fiscal year shall be in accordance with and contingent upon the availability of funds and Commission action apportioning and setting aside funds for such project in such fiscal year in accordance with sections 4-008 or 4-009.

**004 Continued Funding.** In order to assure continued funding of projects with no separable components and of separable project components which are not further separable, the Commission, when it first apportions and sets aside in accordance with sections 4-008 or 4-009 funds for such project or project component, shall set aside an amount equal to the appropriate percentage of the total cost of the project or the component even if it is not anticipated that all of such funds could be expended during the next ensuing fiscal year. Funds thus apportioned and set aside shall, as soon as costs have been incurred by the sponsor subsequent to such apportionment, remain set aside and be committed for such project or project component until the sponsor has received all reimbursement to which it is entitled unless:

**004.01** The project is abandoned or significantly delayed;

**004.02** The Commission has reasonable grounds for concern that the project or any portion of it may not be completed due to public opposition, litigation, or the loss of other state, local or federal funds needed to complete the project;

**004.03** The Commission fails to receive a reappropriation of unexpended funds;

**004.04** The appropriation for the Resources Development Fund is reduced by subsequent legislative act; or

**004.05** The Commission determines the project no longer meets the criteria for funding eligibility contained in the Resources Development Fund Act or the Commission's rules and regulations.

If the Commission determines at any time that any of these conditions have occurred, any funds apportioned and set aside for the project which have not been disbursed may be deemed by the Commission to be released.

**005 Funding Preferences.** In order that the maximum practicable assurance of continued funding may be provided to sponsors of uncompleted projects which have previously been apportioned funds for one or more separable components, preference shall be given such projects and project components whenever funds are apportioned and set aside in accordance with sections 4-008 or section 4-009.

**006 Determination of Fiscal Year Financial Needs.**

**006.01** No later than March 31 of each year each sponsor willing to utilize and capable of utilizing either an initial or an additional apportionment of funds for a project which has been determined eligible for funding shall submit a report to the Commission indicating as follows

**006.01A** If the project has no previously identified separable components and no request is made for identification of any such components, the report shall indicate the estimated time schedule for beginning and completing the project.

**006.01B** If the project has separable components, the report shall indicate the component or components for which the sponsor is requesting an apportionment and the estimated time schedule for commencing and completing such component or components.

**006.01C** If desired by the sponsor, the report may also include a request for the identification of separable components for a project with no previously identified separable components or for the separation of one or more previously identified separable components into additional separable components. Any such request shall be accompanied by an estimate of the costs for completing all separable components for which identification is requested. For those components for which apportionment of funds is desired, the information required by part B of this subsection shall also be provided.

**006.01D** The extent of any opposition to completion of the project, or any separable component, including whether any lawsuits to prevent its completion have been instituted or are anticipated, whether any problems are being experienced or are anticipated in obtaining sufficient funds to meet the sponsor's financial obligations for the project, and whether any other factors exist-which may affect the sponsor's ability to complete the project.

**007 Separable Components.** If a project plan provides that development of the project will take place on two or more land areas not contiguous to each other, the project portion planned for each such land area shall constitute a separable component of the project. Projects for which total project development will take place all on one contiguous land area and separable components of projects of the type described above may also have separable components. A project component shall be deemed to be any distinguishable phase of project development including such phases as land rights acquisition, project construction, and related facilities development. The extent to which such components constitute separable components for any project shall be determined by the Commission after consultation with the sponsor. In the event that any project is determined to have separable components, the Commission shall take action to identify such separable components and to determine the estimated costs of completing each such component.

**008 Apportioning and Setting Aside Funds.** Prior to July 1 of each year the Commission shall apportion and set aside available funds for projects and project components eligible for funding assistance. In making such apportionments, the Commission shall consider the following:

**008.01** Whether it is reasonable to expect that each project or project component for which funding is requested is capable of being commenced within the next ensuing fiscal year;

**008.02** Whether any of the projects or project components proposed for funding by the sponsors could, in the opinion of the Commission, be delayed without significant adverse effects on the total project;

**008.03** Whether there are reasonable grounds for concern that the project, or portions of it, may not be completed. Reasonable grounds for concern shall include, but not be limited to, opposition to completion of the project including current or anticipated lawsuits or the unavailability or loss of local, federal, or other state funds needed to complete the project;

**008.04** The funding preferences established in section 4-005;

**008.05** Each project's rate-of-return on the investment;

**008.06** The water and related resources needs addressed by each project;

**008.07** The economic impact of each project on the local and/or regional economy;

**008.08** The environmental impact of each project;

- 008.09** The support for or opposition to each project;
- 008.10** The urgency of need for each project;
- 008.11** The extent of benefit provided by each project; and
- 008.12** How to make the most efficient utilization of the available funds.

Prior to apportioning and setting aside funds for a given fiscal year, the Commission shall invite the sponsors of all projects for which funding has been requested for that fiscal year to appear before the Commission to address the manner in which their projects relate to the factors to be considered by the Commission.

**009 Adjustments in Apportionments.** A sponsor may at any time during the fiscal year submit reports containing an update of the information contained in the report submitted in accordance with section 4-006. A sponsor of a project for which no report was submitted in accordance with section 4-006 may also at any time submit a report containing the information required by such section. At the first Commission meeting following August 1, November 1, and February 1 of each year, the Commission shall review all such reports, if any, which have been submitted since the last such review, and any other relevant information available to it and shall, if appropriate and consistent with the funding preference established in section 4-005, make adjustments in the amount apportioned and set aside for any project for that fiscal year. No amount previously apportioned and set aside in accordance with sections 4-008 shall be decreased unless:

- 009.01** The sponsor has indicated a decrease in needs;
- 009.02** The Commission, based on information contained in the sponsor's report submitted in accordance with section 4-006 or other information available to it, finds that there are reasonable grounds for concern that the project or any separable component may not be completed;
- 009.03** The project is abandoned or significantly delayed;
- 009.04** The Commission fails to receive a reappropriation of unexpended funds;
- 009.05** The appropriation for the Resources Development Fund is reduced by subsequent legislative act, or;
- 009.06** The Commission determines the project no longer meets the criteria for funding eligibility contained in the Resources Development Fund Act or the Commission's rules and regulations.

In case of any such findings, the Commission may modify, suspend or revoke any previous action to apportion and set aside funds for the project or any separable component. Provided, however, any action to modify, suspend, or revoke any previous apportionment shall not affect the sponsor's right to reimbursement for costs which it has incurred or for which it has become legally obligated prior to such Commission action. In addition, such action shall not affect the sponsor's right to reimbursement for the cost of land or interests in land acquired through condemnation actions commenced prior to the Commission action to modify, suspend, or revoke an apportionment.

**010 Limitation on Reimbursements.** A sponsor shall not be reimbursed during any fiscal year in any amount in excess of the amount apportioned and set aside for the sponsor's project in accordance with sections 4-008 and 4-009.

**011 Review and Approval of Final Plans.** Prior to the actual disbursement of any funds for construction for the project or for any portion thereof, the Director shall review the final plans for the proposed program or project or the portion for which funds are requested. If it appears during such review or during any prior or subsequent review or inspection of the project plans or construction, or during any review of project cost information that:

**011.01** The plans and specifications for the project are not being followed;

**011.02** The plan for development or any work performed on the project are not based on sound technical principles or practices;

**011.03** The project or any portion thereof no longer meets the criteria for funding eligibility contained in the Resources Development Fund Act or the Commission's Rules and Regulations; or

**011.04** There is or has been non-compliance with any of the terms of the contract between the Sponsor and the Commission;

The Director shall immediately bring such variances to the Sponsor's attention and may refuse to disburse any funds for the project until such time as the variances are corrected and the project is brought into conformance with all appropriate standards.

**012 Limitation on Allocation.** The amount actually disbursed for a program or project, or a separable component of a project, shall not exceed the dollar amount of the tentative allocation for the program, project or separable component approved by the Commission pursuant to section 4-001 or a dollar amount equal to the same percentage of the actual project costs as the tentative allocation represented to the estimated project costs, whichever is less, without specific Commission approval; except that funds apportioned and set aside for one separable component but not disbursed may be used to reimburse the Sponsor for the costs of another separable component even though such reimbursement may exceed the amount apportioned and set aside for that component if necessary in accordance with section 4-002 to achieve or maintain the appropriate ratio between eligible project costs paid by the Sponsor and those paid by the Commission.

**013 Contractual Arrangements.** State funds will not be advanced to any applicant pursuant to an approved loan or grant until a contract between the applicant and the Commission setting forth terms and conditions of such loan or grant has been executed.

**014 Disbursements.** The Director shall disburse, no more often than once each month, such funds from those apportioned and set aside to a program or project as are necessary to reimburse, in the proper proportion, all eligible costs incurred by the applicant in carrying out the program or project since the next preceding disbursement, if any. All such costs shall be documented by the applicant in such manner as is directed by the Director prior to the disbursement of any funds. In the event that a program or project has been approved for combination grant and loan allocations, each disbursement shall, unless otherwise specified by the Commission constitute a disbursement of loan and grant funds in the same proportion as the totals of the allocation approved.

**015 Inspection During Construction.** The Commission and Director shall have the privilege of inspecting the construction of any project at any time in order to ensure that plans and specifications are being followed, and that the works are being constructed in accordance with sound engineering and technical principles and practices, but such inspection shall never subject the State of Nebraska to any action for damages. The Director shall bring to the attention of the sponsor and the project engineer any

variances from the approved plans and specifications. The Sponsor and the project engineer or project director shall initiate necessary corrective action.

**016 Changes in Scope of Approved Projects.** The Sponsor shall promptly report all increases in the cost of a project, or any separable component of the project, and any proposed additions, deletions, or modifications of any separable component, or any change in the purpose or purposes of the project by submitting to the Commission an amendment to the formal application and feasibility report. Commission approval of any change in the scope, purpose, or plan for development of the project, and any increase in the tentative allocation for the project, or any separable component, shall be required. Any proposed change in the scope, purpose, or plan of development for the project, any request for an increase in the allocation for the project, or any cost increase, regardless of whether an increase in the tentative allocation for the project is requested, may at the discretion of the Commission be referred to the Director for his or her review and recommendation regarding whether the project still meets the criteria for funding eligibility contained in the Resources Development Fund Act or the Commission's rules and regulations.

#### ANNOTATION

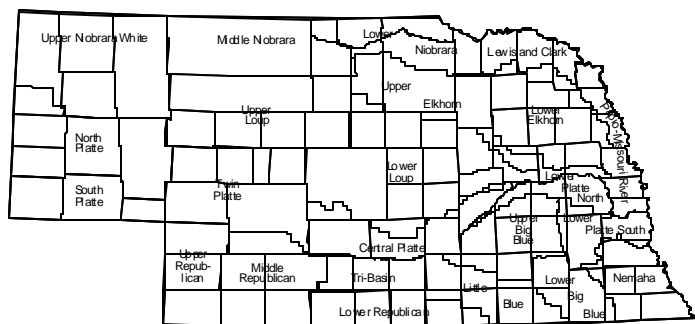
Title 256

Section 2-1586 to 2-1590  
And 2-1592 to 2-1595,  
R.R.S. 1997



## SECTION SEVEN

## RESOURCES DEVELOPMENT FUND LEGISLATION



### **2-1586. Natural Resources; declaration.**

It is hereby recognized that it is the public purpose of this state to properly develop the water and related land resources of the state and that it is in the public interest of this state (1) to financially assist in programs and projects necessary to the development, preservation, and maintenance of Nebraska's water and related land resources, including programs and projects for the abatement of pollution, potential reduction of flood damages, reservation of lands for resource development projects, provision of public irrigation facilities, preservation and development of fish and wildlife resources, protection and improvement of public lands, provision of public outdoor uses, including domestic, agricultural, and manufacturing uses, conservation of land resources, and protection of the health, safety, and general welfare of the people of the State of Nebraska, and (2) financially assist Natural Resources Districts in the preparation and management plans pursuant to section 46-673.01.

**Source:** Laws 1974, LB 975, § 1; R.S. 1943, (1977), § 2-3263;  
Laws 1984, LB 1106, § 16.

### **2-1587. Nebraska Resources Development Fund; created, reserve fund; administration; investment.**

There is hereby created the Nebraska Resources Development Fund to be administered by the Nebraska Natural Resources Commission and to which the State Treasurer shall credit to carry out the provisions of sections 2-1586 to 2-1595 such money as shall be appropriated to the fund by the Legislature, be paid to the state as fees, deposits, payments and repayments relating to the fund, both principal and interest, and be donated as gifts, bequests, or other contributions to such fund from public or private entities. Funds made available by any department or agency of the United States may also be credited to this fund if so directed by such department or agency. The money in the Nebraska Resources Development Fund shall not be subject to any fiscal year limitation requiring reappropriation of the unexpended balance at the end of the fiscal year. To aid in the funding of projects and to prevent excessive fluctuations in annual appropriation requirements for the Nebraska Resources Development Fund, the Commission shall create a reserve fund to be used only for projects requiring total expenditures from the Nebraska Resources Development Fund in excess of five million dollars. Unless disapproved by the Governor, the Commission may credit to such reserve fund that portion of any annual appropriation to the Nebraska Resources Development Fund which exceeds five million dollars. The Commission may also credit to the reserve fund such other funds as it determines are available. Any money in the Nebraska Resources Development Fund available for investment shall be invested by the state investment officer pursuant to the provisions of the Nebraska State Funds Investment Act and the Nebraska Capital Expansion Act.

**Source:** Laws 1974, LB 975, § 2; R.S. 1943, (1977), § 2-3264;  
Laws 1984, LB 985, § 1; Laws 1986, LB 258, § 5.

**2-1588. Nebraska Resources Development Fund; allocation; annual report.**

Any money in the Nebraska Resources Development Fund may be allocated by the Nebraska Natural Resources Commission in accordance with the provisions of sections 2-1586 to 2-1595 for utilization by the Commission, by any state office, agency, board, or Commission, or by any political subdivision of the State of Nebraska to which has been granted the authority to develop the state's water and related land resources. Such money may be allocated in the form of grants or loans or for acquiring state interests in water and related land resources programs and projects undertaken within the state. The allocation of funds to a program or project in one form shall not of itself preclude any additional allocations in the same or any other form to the same preparation of management plans as provided in section 46-673.01. Funds so allocated shall not be subject to the provisions of sections 2-1589 to 2-1595.

Only projects with estimated total costs of less than ten million dollars, which shall not include operation and maintenance costs, shall be eligible for assistance from the Nebraska Resources Development Fund. If cost overruns during project construction cause the cost of a project to exceed ten million dollars, the Commission may continue to participate in the project and may allocate additional funds to ensure project completion.

No project, including all related phases, segments, parts, or divisions, shall receive more than ten million dollars from the Fund.

Prior to September 1 of each even-numbered year, a biennial report shall be made to the Governor and the Clerk of the Legislature describing the work accomplished by the use of such Development Fund during the immediately preceding two-year period, which report shall include a complete financial statement. Each member of the Legislature shall receive a copy of such report upon making a request for it to the Director.

**Source:** Laws 1974, LB 975, § 3; Laws 1979, LB 322, § 3; Laws 1981, LB 545, §21  
R.S.Supp., 1982, § 2-3265; Laws 1984, LB 1106, § 17; Laws 1985, LB 102, § 2.

**2-1589. Nebraska Resources Development Fund; allocations, grants, loans; conditions .**

Allocations from the Nebraska Resources Development Fund may be made as grants to agencies or political subdivisions when it is determined that such an allocation will not be reimbursed from revenue or receipts and when the program or project appears to be of general public benefit, thereby making reimbursement of such money from local tax funds inappropriate or impossible, or when the funds are intended for a state or local contribution to a program or project requiring such contribution to meet the requirements for a matching federal grant.

Allocations may be made from the Fund by the Commission as loans to agencies or political subdivisions for any program or project or any part thereof consistent with the purposes of sections 2-1586 to 2-1595 which will directly generate revenue or receipts or which can be anticipated to culminate in a program or project which will generate revenue or receipts, or which would not generate revenue or receipts but would be of general public benefit to the applicant making repayment from local tax funds appropriate.

**Source:** Laws 1974, LB 975, § 4; R.S. 1943, (1977), § 2-3266.

The adoption and implementation of a general benefit project by a Natural Resources District is an exercise of a power which is legislative in nature, and the requirements of due process that apply to judicial or quasi-judicial proceedings are not applicable. *Fisher & Trouble Creek v. Lower Platte No. Nat. Resources Dist.*, 212 Neb. 196, 322 N.W.2d 403 (1982).

**2-1590. Nebraska Natural Resources Commission; powers**

Nebraska's land and water resources, the Nebraska Natural Resources Commission may acquire interests in water and related land resources projects in the name of the state utilizing the

Nebraska Resources Development Fund. Such use of the Fund shall be made when the public benefits obtained from the project or a part thereof are statewide in nature and when associated costs are determined to be more appropriately financed by other than a local organization. Such use of the Fund may be made upon the determination by the Commission that such acquisition is appropriate under the provisions of sections 2-1586 to 2-1595 and may be initiated upon a request filed in accordance with the provisions of section 2-1593 or by the Commission itself without such a request. The Commission may also acquire interests in water resource projects in the name of the state to meet future demands for usable water. Such resource projects may include but not be limited to the construction of dams and reservoirs to provide surplus water storage capacity for municipal and industrial water demands and for other projects to assure an adequate quantity of usable water. In furtherance of these goals the Commission is authorized to contract with the federal government or any of its agencies or departments for the inclusion of additional water supply storage space behind existing or proposed structures.

**Source:** Laws 1974, LB 975, § 5; R.S. 1943, (1977), § 2-3267.

**2-1591. REPEALED.**

**2-1592. Grant or Loan; application; procedure**

Any organization qualified to apply for and receive funds from the Nebraska Resources Development Fund may file an application with the Commission for a grant or loan from such Fund. Applications for grants to the Commission itself shall be filed by the Commission. Each application shall be filed in such manner and form, and be accompanied by such information as may be prescribed by the Commission. Any such application shall:

- (1) Describe the nature and purpose of the proposed program or project;
- (2) Set forth or be accompanied by a plan for development of the proposed program or project, together with engineering, economic, and financial feasibility data and information, and such estimated costs of construction or implementation as may be required by the Commission;
- (3) State whether money other than that for which the application is made will be used to help in meeting program or project costs and whether such money is available or has been sought for this purpose.
- (4) When appropriate, state that the applicant holds or can acquire title to all lands or has the necessary easements and rights-of-way for the project and related lands and has or may acquire all water rights necessary for the proposed project;
- (5) Show that the applicant possesses all necessary authority to undertake or participate in the proposed program or project; and,
- (6) Demonstrate the probable environmental and ecological consequences that may result from such proposed program or project. Upon receipt of an application, the Commission shall refer it to the Director who shall evaluate and investigate all aspects of the proposed program or project and the proposed schedule for development and completion of such program or project, determine the eligibility of the program or project for funding, and make appropriate recommendations to the Commission pursuant to sections 2-1586 to 2-1595. As part of his or her investigation, the Director shall consider whether the plan for development of the program or project is satisfactory. If the Director determines that the plan is unsatisfactory or that the application does not contain adequate information upon which to make determinations, the Director shall return the application of the applicant and may make such recommendations to the applicant as are considered necessary to make the plan or the application satisfactory.

Requests for utilization of the Nebraska Resources Development Fund for state participation in any water and related land-water resources projects through acquisition of a state interest therein shall also be filed with the Commission and directed by it to the Director for his or her evaluation,

investigation, and recommendations. Such requests shall be filed in the manner and form and be accompanied by such information as shall be prescribed by the Commission.

**Source:** Laws 1974, LB 975, § 7; R.S. 1943, (1977), § 2-3269; Laws 1984, LB 1106, § 18.

**2-1593. Program or Project; funding; review; approve or reject; procedure.**

Each program or project for which funding is requested, whether such request has as its origin an application or the action of the Commission itself, shall be reviewed as provided in sections 2-1596 to 2-1595 by the Director prior to the approval of any allocation for such program or project by the Commission. The Director shall within a reasonable time, not to exceed six months, after receipt of such request report to the Commission the results of his or her review and shall recommend approval or rejection of funding for the program or project. The Director shall indicate what form of allocation he or she deems to be appropriate. In the case of an approved application recommended for a loan, the Commission shall indicate the appropriate repayment period and the rate of interest. The Commission shall act in accordance with such recommendations unless action to the contrary is approved by each Commission member eligible to vote on the specific recommendation under consideration. No member of the Commission shall be eligible to participate in the action of the Commission concerning an application for funding to any entity in which such Commission member has any interest. The Director may be delegated additional responsibilities consistent with the purposes of sections 2-1586 to 2-1595. It shall be the sole responsibility of the Commission to determine the priority in which funds are allocated for eligible programs and projects under sections 2-1586 to 2-1595.

**Source:** Laws 1974, LB 975, § 8; R.S. 1943, (1977), § 2-3270; Laws 1984, LB 1106, § 19.

**2-1594. Program or Project; costs or acquisition; approval**

The Director may recommend approval of and the Commission may approve grants or loans for program or project costs or acquisition of interests in projects if after investigation and evaluation the Director finds that:

- (1) The plan does not conflict with any existing Nebraska state land plan;
- (2) The proposed program or project is economically and financially feasible based upon its standards adopted by the Commission pursuant to sections 2-1586 to 2-1595;
- (3) The plan for development of the proposed program or project is satisfactory;
- (4) The plan of development minimizes any adverse impacts on the natural environment;
- (5) The applicant is qualified, responsible and legally capable of carrying out the program or project;
- (6) In the case of a loan, the borrower has demonstrated the ability to repay the loan and there is assurance of adequate operation, maintenance, and replacement during the repayment life of the project;
- (7) The plan considers other plans and programs of the state in accordance with section 84-135 and resources development plans of the political subdivisions of the state; and,
- (8) The money required from the Development fund is available.

**Source:** Laws 1974, LB 975, § 9; Laws 1981, LB 326, § 111 R.S.Supp., 1982, § 2-3271; Laws 1984, LB 1106, § 20; Laws 1985, LB 102, § 3.

**2-1595. Application for a Grant, Loan or Acquisition; agreement; provisions; convey interests; lien; filing; foreclosure.**

If after review of the recommendation by the Director the Commission determines that an application for a grant, loan, acquisition of an interest, or combination thereof pursuant to sections 2-1586 to 2-1595 is satisfactory and qualified to be approved, before the final approval of such application may be given and the funds allocated, the Commission shall enter into an agreement in the name of the state with the applicant agency or organization and with any other organizations it deems to be involved in the

program or project to which funds shall be applied. The Commission shall also enter into such agreements as are appropriate before allocation of any funds for the acquisition of interest in any qualified project when such acquisition is initiated by the Commission itself pursuant to section 2-1590. All agreements entered into pursuant to this section shall include, but not be limited to, a specification of the amount of funds involved, whether the funds are considered as a grant, loan, or for the acquisition of an interest in the name of the state, and, if a combination of these is involved, the amount of funds allocated to each category, the specific purpose for which the allocation is made, the terms of administration of the allocated funds, and any penalties to be imposed upon the applicant organization should it fail to apply or repay the funds in accordance with the agreement.

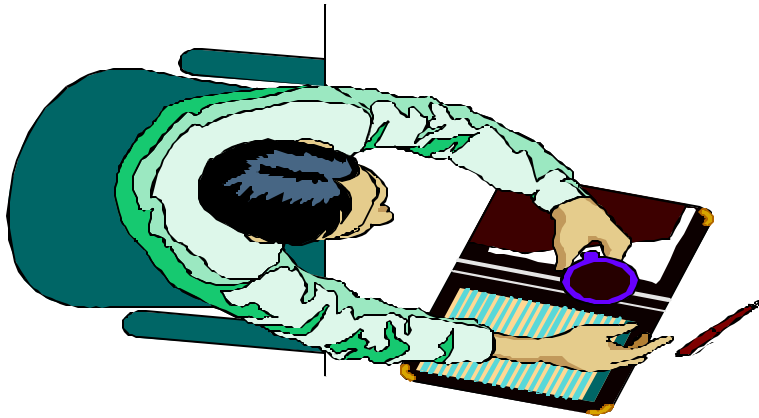
If the allocation to be approved is a loan, the Commission and the applicant or applicants shall include in the agreement provisions for repayment to the Fund of money loaned together with any interest at reasonable rates as established by the Commission. The agreement shall further provide that repayment of the loan together with any interest thereon shall commence no later than one full year after construction of the project is completed and that repayment shall be completed within the time period specified by the Commission. The repayment period shall not exceed fifty years, except that the Commission may extend the time for making repayment in the event of extreme emergency or hardship. Such agreement shall also provide for such assurances of and security for repayment of the loan as shall be considered necessary by the Commission.

With the express approval of the Commission, an applicant may convey its interest in a project to a successor. The Commission shall contract with the qualified successor in interest of the original obligor for repayment of the loan together with any interest thereon and for succession to its rights and obligations in any contract with the Commission.

The state shall have a lien upon a project constructed, improved, or renovated with money from the Fund for the amount of the loan together with any interest thereon. This lien shall attach to all project facilities, equipment, easements, real property, and property of any kind or nature in which the loan recipient has an interest and which is associated with the project. The Commission shall file a statement of the lien, its amount, terms, and a description of the project with the county Register of Deeds of each county in which the project or any part thereof is located. The county Register of Deeds shall record the lien and it shall be indexed as other liens are required by law to be indexed. The lien shall be valid until paid in full or otherwise discharged. The lien shall be foreclosed in accordance with applicable state law governing foreclosure of mortgages and liens. Any lien provided for by this section may be subordinate to that which secures federal assistance or other secured assistance received on the same project.

**Source:** Laws 1974, LB 975, § 10; R.S. 1943, (1977), § 2-3272; Laws 1984, LB 679, § 2; Laws 1984, LB 1106, § 21.

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